

TOM FRANK ON RIGHT WRITING

February 19 - March 3, 1996

IN THESE TIMES

EASY MONEY

Congress gets cozy with
America's financial industry

By Ralph Nader



\$2.50/CANADA \$3.00



LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

EDITORIAL

THE LOST CAUSE

For more than a decade, *In These Times* has been arguing that drug criminalization is both wrong and hopeless. "We all know that cigarettes and alcohol kill hundreds of thousands more people each year than the substances we call drugs," we wrote two years ago, and that the war on drugs "creates many more violent criminals and causes many more deaths than does the use of currently illegal substances."

When we wrote that, we thought we saw signs that the Clinton administration was taking some cautious steps to de-escalate this mindless squandering of human and financial resources. But to pursue a sensible policy of disarmament in the drug war would have required the kind of courage and principle that few in Washington possess. So the war has continued apace, even receiving a special boost in last month's State of the Union message. This is not surprising in an election year, when both parties compete for the mantle of most militant opponent of evil and evil-doers. But pandering to fear and ignorance about drugs cannot go on forever in the face of the increasingly obvious failure of this cynical crusade.

America's war on drugs has failed. The war on the real causes of the drug epidemic should now begin.

Buckley has long advocated legalization of drugs, but the *National Review* has not previously taken a formal position. Now, however, the magazine has proclaimed that the war on drugs is lost, and, therefore, that it "would be morally and intellectually weak-kneed" not to call for legalization.

In addition to Buckley's general summary of arguments against criminalization, he publishes six other experts in fields relating to the lost drug war—Ethan A. Nadelmann, director of the Lindesmith Center, a drug policy institute in New York; Kurt Schmoke, Baltimore mayor, who has been

re-elected twice since calling for decriminalization; Joseph D. McNamara, former Kansas City, Mo., police chief; Robert W. Sweet, a New York District Judge; Thomas Szasz, a professor of psychiatry at Syracuse University; and Steven B. Duke, Law of Science and Technology professor at Yale University. They detail how the criminalization of drugs has created an industry with the world's highest profit margins, how that has led to murderous rival-

ries among suppliers, the corruption of law enforcement and other public officials in all levels of government, the spread of AIDS to new populations, and the highest incarceration rates in the world.

Buckley's effort received enthusiastic support from Anthony Lewis in the *New York Times* the week it appeared, while on another front, the *Chicago Tribune* ran a page-one story about the failure of the drug war in Colombia. Despite hundreds of millions of dollars in aid to the anti-drug effort there, the *Tribune* wrote, drug production and shipment continues unabated. Meanwhile, the country's president is under attack for having been brought to office with the help of more than \$5 million in drug money, and as a result, the Clinton administration is forced to consider a drastic reduction in aid.

The exact amount of money now being squandered on the drug war each year has not been calculated. It includes an estimated \$14 billion to \$17 billion in federal money, billions more to construct and run new prisons in almost every state—half of all current inmates are in jail for drug-related crimes—and the value of goods stolen by addicts is estimated at \$10 billion by Professor Duke at Yale. This litany doesn't even take into account the medical costs of AIDS contracted from dirty needles and illnesses caused by adulterated drugs.

Drug legalization would, of course, not eliminate crime, especially in areas of high unemployment and poverty wages. But it would free up the untold billions now being spent on the lost cause of the drug war and would allow a redirection of our social priorities. The money saved could go instead to rebuild inner-city schools and to provide extracurricular activities to keep teenagers off the street. And instead of spending billions for emergency-room treatment of drug-crime related wounds and illness, we could build community-based preventive health care clinics. Such projects, in addition, are labor-intensive. They could provide jobs at above-poverty-level wages—which would further reduce the driving force behind urban crime—and help rebuild inner-city communities.

Liberals and progressives should be embarrassed that William Buckley has staked out a leading position on this issue. But they should also be courageous and imaginative enough to take the initiative from here: For the health of our society and the salvation of our cities, the drug war must be ended. ◀

IN THESE TIMES

"...with liberty and justice for all"

Editor: James Weinstein
Managing Editor: Jim McNeill
Senior Editors: Joel Bleifuss, David Moberg,
 Salim Muwakkil, Patricia Aufderheide (on leave)
Culture Editor: Chris Lehmann
Asst. Managing Editor: Dave Mulcahey
Washington Correspondent: Scott McLemee
New York Editor: Daniel Lazare
Europe Editor: Diana Johnstone
Eastern Europe Correspondent:
 Paul Hockenros
Russia Correspondent: Fred Weir
Far East Correspondent: Dave Lindorff
Education Editor: Alex Molnar
Contributing Editors: Bill Boisvert,
 David Futrelle, Miles Harvey,
 Peter Karman, Ilan Stavans
Media Watch Columnist: Jennifer Gonnerman
Film Critics: Linda DeLibero, Pat Dowell
Copy Editor: George Hodak
Types: Jim Rinnert
Editorial Interns: Beth Johnson, Brian Mier
ITT Radio Coordinator: Miles Harvey

Art Director: Peter Hannan
Associate Art Director: Lisa Weinstein
Asst. Art Director: Kit Boyco
Cartoonist: Terry LaBan

Publisher: James Weinstein
Associate Publisher: Beth Schulman
Assistant Publisher: Claudia Morris

Business Manager: Robert Larson
Circulation Director: Jake Blankenship
Advertising Director: Patricia Gray

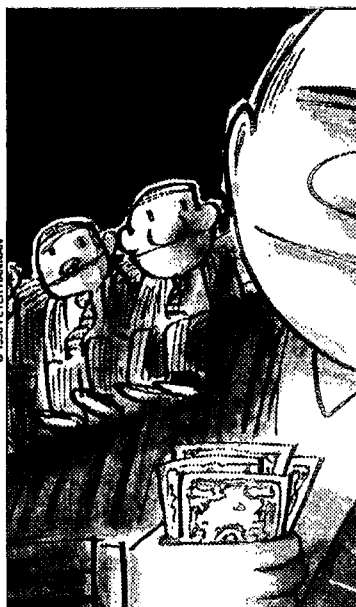
In These Times (ISSN 0160-5992) is published biweekly by the Institute for Public Affairs, 2040 N. Milwaukee Ave., Chicago, IL 60647. Subscriptions are \$36.95 a year (\$59 for institutions; \$61.95 Canada; \$75.95 overseas). Second-class postage paid at Chicago, IL and at additional mailing offices. Postmaster: Send address changes to *In These Times*, 308 E. Hitt St., Mt. Morris, IL 61054. This issue (Vol. 20, No. 7) published February 19, 1996 for newsstand sales February 19-March 3, 1996. (312) 772-0100. Member: Alternative Press Syndicate. The entire contents of *In These Times* are copyright © 1996 by the Institute for Public Affairs, and may not be reproduced in any manner, either in whole or in part, without permission of the publisher. Copies of *In These Times'* contract with the National Writers Union are available upon request. Complete issues and volumes of *In These Times* are available from University Microfilms International, Ann Arbor, MI. All rights reserved. *In These Times* is indexed in both the Alternative Press Index and the Left Index. Publisher does not assume liability for unsolicited manuscripts or material. Manuscripts or material unaccompanied by stamped, self-addressed envelope will not be returned. All correspondence should be sent to: *In These Times*, 2040 N. Milwaukee Ave., Chicago, IL 60647. E-mail: ittc@ipc.apc.org. For customer service and to place subscription orders, call toll free: (800) 827-0270. Advertising rates sent on request. Available back issues are \$5 each; specify volume and number. All letters received by *In These Times* become property of the newspaper. We reserve the right to print letters in condensed form.



InTHESE TIMES

CONTENTS

Volume 20, Number 7



© 1996 PETER HANNAN

Easy money

Congress has already rolled back key securities safeguards. Its assault on banking regulations could lead to an S&L-style meltdown.

RALPH NADER

14

Hacks and hatchet jobs

Misled by a disinformation campaign, the press is smearing Teamsters President Ron Carey.

WILLIAM SERRIN

22

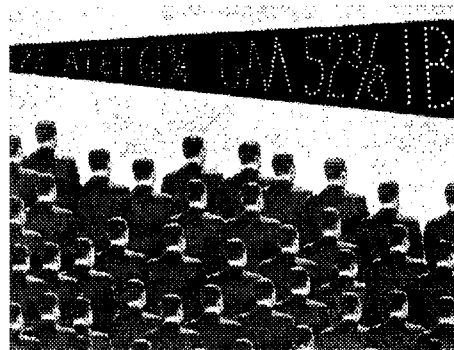
Right writing

Leaving Edmund Burke behind, a new conservative anthology abandons the Way of the Past for the Way of the Market.

TOM FRANK

30

© 1996 KIT BOYCO



FEATURES

- The First Stone: Hillary pilloried, Part II** • Joel Bleifuss12
Third-party follies • James Weinstein18
Moving mountains • Salim Muwakkil25

REVIEWS

- Film: *Dead Man Walking*** • Linda DeLibero28
In Print: *The Price We Pay* • Rochelle Gurstein33
Golden Rule • David Kairys35

DEPARTMENTS

- Letters**4
Sylvia • Nicole Hollander4
In Short6
Appall-O-Meter • David Futrelle7
Media Watch • Jennifer Gonnerman9
Tomorrow's news • Steve Brodner9
Huge Mouth • Peter Hannan11
Classifieds37

LETTERS

More Mumia

Scott McLemee's piece on Mumia Abu-Jamal ("Shadow of a doubt," October 2), and the ensuing debate, raise two important points—one about the American left, and another about Abu-Jamal's legal case.

The left is on its strongest ground when it deals with simple moral issues. Most often, these have addressed matters involving African-Americans and, to a lesser extent, Native Americans. The Abolitionist, anti-lynching and civil rights movements, and support for Native American struggles, are prime examples of "right vs. wrong" questions.

In contrast, the left falters when controversies become complex. We divide ourselves. Our message is hazy and unfocused. Our confusion shows.

Applying this perspective to Abu-Jamal's case, we can see the difficulties. As McLemee notes, some on the left are trying to compress the matter into

another simple morality play. In reality, as he says, the matter is not so clear. In all likelihood, David Faulkner, the police officer who lost his life, was beating up Abu-Jamal's brother. Abu-Jamal came across the assault and took action to try to rescue a sibling. The officer got the worst of the altercation. Or, possibly, the evidence could show that somebody else killed Faulkner—but it appears more likely that Abu-Jamal either acted in self-defense or was, at worst, guilty of manslaughter or criminally negligent homicide for overreacting to the situation.

In crafting a reasonable position to take in Abu-Jamal's case, the left must examine some hard realities. Even the most sympathetic of appellate judges is not going to reverse a conviction and order the dismissal of the charges and the concomitant release of the accused on such unclear facts. At the very best, reviewing courts will accord a defendant a right to a new trial. (The prosecutor or district attorney must then

decide whether to re prosecute.) We can demand his immediate release, but it is not going to happen.

Thus, I think that McLemee's approach is the most sensible—let's support Mumia Abu-Jamal wholeheartedly, but advocate that he receive a new trial. This way, we can serve justice while not oversimplifying matters.

William J. Volonte
New Brunswick, N.J.

Demonizing blacks

Salim Muwakkil's treatment of the racial polarization that is dividing America ("Identity crisis," January 22) might profit from the following supplement to his description of the tragic shooting and fire that left eight dead on Harlem's 125th Street last December 8. Muwakkil is on target in stating that "African-American leadership has a stake in denouncing the racial scapegoating and casual anti-Semitism that has become common among some black activists." But some neoconservatives also have a stake in demonizing black leadership by falsely accusing them of anti-Semitism.

Neoconservatives in New York's Jewish establishment have a stake in exploiting the Harlem tragedy to maximize Jewish fears. While Muwakkil urges broad-based, multiracial progressive coalitions, many neoconservative Jews wish to make African-American leadership their new "designated demons." The role the Rev. Al Sharp-

SYLVIA

by Nicole Hollander



ton may or may not have played in the events leading up to the tragic shooting and fire is a case in point.

In two consecutive December issues, the Jewish newspaper *Forward* attempted to blame the Harlem shooting on Sharpton, who is a longtime street-level populist and something of a con man. The basis for the charge against Sharpton appears to be his use of the word "interloper" to describe the Jewish owner of Freddy's Clothing Mart, who was engaged in a bitter dispute with the neighboring black-owned Record Shack.

Based on videotapes made of the one day—December 2, 1995—that Sharpton appeared outside of Freddy's Fashion Mart (made available to the *New York Times* and Manhattan District Attorney Robert Morgenthau), there is no suggestion that Sharpton was attacking all Jewish, Korean and Arab merchants in Harlem. Nor is there any suggestion that he was in command of the militant demonstrators who were indeed using anti-Semitic insults, and who were attacking Jews and whites in general as "bloodsuckers."

Sharpton is vulnerable to the current neoconservative effort to demonize African-American leadership. But neoconservative Jews who write for *Forward* have also attacked Harlem's black leadership in general for not preventing the tragedy.

This would suggest that they are willing to follow a scorched-earth policy with regards to urban America in their effort to increase the GOP's attractiveness to Jewish voters.

David E. Blank
Louisville, Ky.

Fuentes defended

As probably one of the few subscribers of *In These Times* originally from Latin America, I take strong exception to Ilan Stavans' intemperate review of Carlos Fuentes' latest novel, *Diana: The Goddess Who Hunts Alone* ("Speed Reading," December 25).

Without arguing about the merits of the book itself, I believe that the review contains *ad hominem* charges against Fuentes and his work that do not appear to have a place in a supposedly authoritative literary review. This is especially so because the only support that the reviewer can muster for these serious charges against Fuentes seems to be undocumented statements from literary and political rivals.

Stavans' distressing bitterness toward Fuentes and his work clouds the little expert judgment he has left, evidenced by his shocking derision of Latin American languages and contemporary literary genres as "nothing but hand-me-downs" and "colonial borrowings." In fact, since 1500, uncounted numbers of writers and artists have not only imitated but also have transformed European culture, and from this transformation and its fusion with native cultures a singularly new and original culture has emerged. Would Stavans have us believe that the works of writers such as Margaret Atwood and Joyce Carol Oates are also "colonial borrowings" because they write in English, a European language?

Regarding the statement that Fuentes' work is "highly overrated," many discerning critics believe three of Fuentes' early novels, *The Death of Artemio Cruz*, *Where the Air Is Clear* and *The Good Conscience*, masterfully convey universal elements of the Latin American experience.

It is unfortunate that this defamatory review coincides with Fuentes' increasing isolation in the English-speaking media in the United States. His nuanced vision of the grim realities of Mexico and Latin America con-



trasts with the Panglossian received wisdom on this subject that one usually finds here.

Stavans has the right to expound his biased literary views, but his attempts to cloak ideological motifs under the mantle of aesthetic judgments are misplaced.

Felipe Cabello, M.D.
New York Medical College
Valhalla, N.Y.

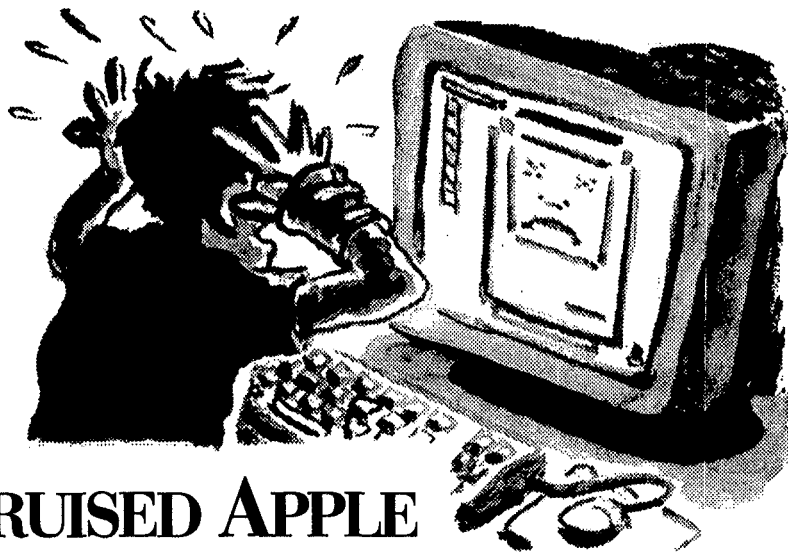
Wobbly

Nelson Lichtenstein's review of Reg Theriault's *How to Tell When You're Tired* ("It's a living," November 13) is an example of why blue collars watch academics carefully and seldom trust them. When he writes that Theriault's "30-year career coincided precisely with the era during which the militant Industrial Workers of the World held greatest sway among longshoremen," has Lichtenstein confused the IWW with the International Longshoremen's and Warehousemen's Union, the waterfront union since the mid-'30s on the West Coast?

Robert R. Miles
San Pedro, Calif.

Editor's note: Blue-collar workers need to watch editors as closely as academics: The mistaken reference to the IWW was an editorial error, not the doing of Nelson Lichtenstein, who had properly cited the ILWU in his original draft.

InSHORT



BRUISED APPLE

For the fanatically loyal customers of Apple Computer Inc., the news could not have been worse. In the wake of Apple's January announcement that it had lost money for the first time in three years, the press had set up a limousine watch outside the company's headquarters in Cupertino, Calif.: rumor had it that Sun Microsystems was poised to take over Apple.

On February 2, however, Apple directors finally stanching the flow of takeover rumors by dismissing Apple chief executive Michael Spindler and replacing him with restructuring impresario Gilbert Amelio,

an Apple board member fresh from National Semiconductor. But something larger than simple corporate succession was at stake here. How else could one explain the blanket cover-

age that Apple's troubles attracted?

Founded 20 years ago, Apple defanged digital technology, establishing the mass market for personal computers. It accomplished this as much through marketing savvy as through its now-canonized Macintosh engineers. (Apple's Orwellian send-up of IBM in its 1984 Super Bowl ad was perhaps the company's proudest moment.)

Since Apple's inception, the U.S. private sector has invested more than \$1 trillion on information technology; in the last five years, America has expended more money on computers than on all other kinds of capital equipment combined. Apple's user-friendly technology, and advertising, was probably a necessary precondition for this economic transformation.

Apple offered the reassuring promise of Information Age technology at a time when Rust Belt disinvestment was ravaging working-class communities. As CEO Spindler noted in a full-page advertisement published just three days before his ouster, Apple at its outset was about "individual empowerment"—an idea, he wrote, that "continues to be the driving force behind Apple Computer."

Of course, by now, empowerment through technology has become the entire nation's unifying anthem. It is a

© 1996 KIT BOYCE

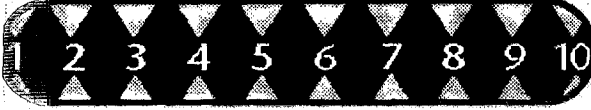
A progressive balancing act

THE REPUBLICAN LEADERSHIP AND THE CLINTON ADMINISTRATION HAVE EACH PUT FORWARD PLANS to balance the budget. But according to the House Progressive Caucus, the only choice is between the evil of two lessers. On February 1, members of the Progressive caucus held a news conference to attack the budget proposals for failing to cut corporate welfare and wasteful defense spending. "It is outrageous that the budget discussions have moved so far to the right," said Rep. Bernie Sanders (I-VT). He went on to decry the fact that "tens of billions are being foisted on the Pentagon that our generals did not even request" and that "only cosmetic cuts are proposed for corporate welfare, which adds as much as \$125 billion to the deficit every year."

Sanders was joined at the podium by the newest caucus member, Rep. Jesse Jackson Jr. (D-IL), who said that "it is wrong to seek to balance the budget on the backs of the poor, the dispossessed and the defenseless." The caucus plans to unveil its own budget in early March. That proposal will deny new tax cuts for the wealthy, fund the military at levels reflecting the real post-Cold War threats and slash at least \$350 billion in corporate welfare over the next seven years. Caucus member Peter DeFazio (D-OR) said "we are developing a real alternative way to balance the budget that will stand in sharp contrast with the current phoney little game of budget shadow-boxing." —Joel Bleifuss

APPALL-O-METER

THE IN THESE TIMES INDEX OF INDECENCIES



Love gun 8.5

She's got to be short and quiet, and willing to move to Israel. Posters have been going up around New York's Borough Park seeking a "highly idealistic" Orthodox Jewish woman "between 18 and 23, under 5-foot-three with a Yemenite background." The makeshift personal ads, *The Village Voice* reports, are being put up by rabbinical student Moshe Gross—on behalf of his friend and self-proclaimed "great Jewish hero" Yigal Amir, best known as the man who assassinated Israeli Prime Minister Yitzhak Rabin. *The Voice* suggests that more than love may be at stake—under Israeli law, wives cannot be made to testify against their husbands, and so a new wife would be the perfect person to allow Amir to communicate

with his accomplices outside of jail.

Friends in high places 7.9

As Pat Buchanan cruised to victory in the Louisiana caucus, he picked up an endorsement that even he is too squeamish to accept, the *Boston Globe* reports. "I support Buchanan, though he doesn't share all my racial viewpoints," declared David Duke, former Klansman and current senatorial candidate, at a fundraiser in Louisiana attended by the Republican presidential hopefuls. Meanwhile, according to the Associated Press, Republican congressional freshmen have gotten some support from a higher authority. "You guys are doing the Lord's work," bully-pulpiteer William Bennett told a multitude of

young Republicans at a recent conservative retreat. It was not clear at press time how Mr. Bennett gained his ability to communicate directly with the Lord.

Down but not out 6.5

Even after losing his seat in the Russian parliament, self-proclaimed faith-healer and Soviet-era television star Anatoly Kashpirovsky has refused to move his own seat out of his government apartment in Moscow. And so, *USA Today* reports, Kashpirovsky has threatened to use his psychic powers to turn anyone who dares to try to evict him impotent. We at the *In These Times* Appall-O-Meter department fully support Kashpirovsky's right to remain seated.

Stunned by a stupid statement? Nauseated by a noxious news story? Contact the Appall-O-Meter, c/o In These Times, 2040 N. Milwaukee Ave., Chicago, IL 60647. Please enclose a copy of the appalling item.

remind us, computerization has turned out to be something less convivial than empowerment through gadgeted connection.

The computerization of America has occasioned an epidemic of layoffs and of chronic, often crippling, computer injuries—more than 250,000 a year and rising according to the U.S. Bureau of Labor Statistics. Computers have also failed remarkably to reduce individual workloads and, in most instances, to boost productivity. Above all, computers have become the tool of choice for reorganizations such as Apple's: Companies restructure their workplaces around information technology and shed workers and managers in an attempt to serve the new environment. It is even possible that telecommuting will allow corporations to extract additional overtime from their employees. Fewer workers, more work, rings oddly, but truthfully, as an epitaph for the digital era thus far.

Perhaps the disillusionment at Apple can help us see what computers have really wrought. It is a vision that Apple, and most of us, cannot seem to entertain soberly.

—R. Dennis Hayes

POORLY SERVED

Freddie Jackson has no doubt about why he spent the past month—including the days of the "Blizzard of '96"—huddled in front of an office tower in uptown Manhattan. Like 30,000 other members of Service Employees International Union Local 32B-32J, which represents maintenance workers in New York City's commercial buildings, he went on strike January 4 against the city's landlords, who were demanding a 40 percent cut in starting wages.

Jackson and his co-workers returned to work February 4 under a new contract that gives the landlords

theme that everyone from Newt Gingrich to Bill Gates to John Perry Barlow can embrace.

As Apple prepares for its fifth corporate restructuring, however, an odd disillusionment about computerization has begun to afflict Americans—and not just the Apple fanatics who shudder at a future shorn of Macintosh support.

What happened to Apple is the story of what has happened to computers. As it has so often in American life, the market spoke. It said this:

Restructure, merge or die. So much digital technology produced by Apple's competitors now incorporates the company's graphical, easy-to-use approach that the genuine article can no longer command the very high profit margins (53 percent) that it earned just a half decade ago.

Today, the PC technology that the company pioneered has become as relentless and dislocating an economic force as the Great Depression and World War II. As layoffs at technology firms such as Apple and AT&T

half of what they wanted: New hires will receive a 20 percent pay cut and, initially, no health care or pension benefits. After two and a half years, the new hires' wages would reach that of other workers. Current employees will also receive a 2.7 percent per-year pay increase over the three-year contract.

After their month in the frigid cold earning strike benefits of only \$7 per day, many workers were clearly happy to be back on the job. Jackson, 36, supports two sons on his salary. But he's lucky: His wife also has a decent-paying job. Many of his co-workers—cleaners, garage staff, elevator operators—depend on their jobs to hold their families together.

But not everyone is pleased with the contract or with Local 32B-32J President Gus Bevona's leadership of the strike. The pact reflects a major compromise by the union, which had initially pledged to hold the line against two-tier wages.

"It's like we thought we were going to jump from the 24th floor. Now we find out we're only going to be jumping from the 12th," says Carlos Guzman. Guzman, a porter at the World Trade Center, ran against Bevona for union office last year.

The strike has stirred up workers' complaints against Bevona, who has led the 70,000-member local since 1981. Known to many members as a remote and highly overpaid union chief (he made \$413,000 in 1994), Bevona has run the local autocratically. In a heavy-handed attempt to quash protests to a 1991 dues increase, Bevona had Guzman tailed—an action that prompted a lawsuit from Guzman, who was awarded \$100,000 by a federal judge. In the wake of the strike, Guzman now plans a cam-

paign to amend the union's constitution to let workers vote on whether to strike or to accept a contract—decisions currently reserved for the leadership.

If Bevona had a strategy in the strike, it was hard to discern. The union leader took out full-page ads in the daily papers asking for contributions to support the strikers, but he seemed reluctant to organize rallies and never called a membership meeting. According to Guzman, groups of strikers eventually began to mobilize rallies of their own. The union got some useful assistance from the new and more active leadership of the New York City Central Labor Council, but unionists say labor support was hampered because of Bevona's

troubled relationships with other unions in the city.

Workers complained, too, about poor communication between them and the union leadership. "When the strike first started, people didn't even know why they were in the streets—they just kept hearing rumors about it," says Guzman.

As the new leaders of the AFL-CIO talk about strategic campaigns, increasing rank-and-file involvement, encouraging leadership by people of color, and building stronger ties with labor and community allies, the strike by SEIU 32B-32J, the home local of newly elected AFL-CIO President John Sweeney, may offer some lessons in what not to do.

—Laura McClure

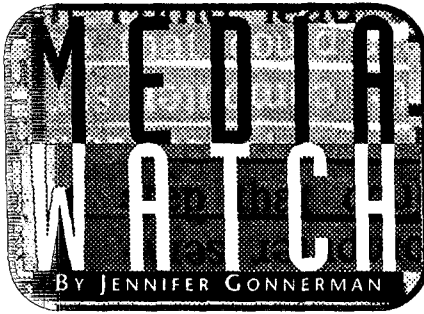
What can campaign contributions buy?

ASK THE GALLO FAMILY. SINCE 1979, SEN. BOB DOLE'S NO. 1 CAMPAIGN CONTRIBUTOR has been the Ernest & Julio Gallo winery of Modesto, Calif. From 1979 through 1994 the Gallos have given the Kansas senator \$381,000. In addition, the Gallo family has contributed \$790,000 to the Dole Foundation, the senator's private charity. What have the Gallos gotten in return? PBS's *Frontline* recently reported that Dole tacked on a special amend-

ment to the 1986 budget bill that could eventually save the Gallo family \$45 to \$50 million in inheritance taxes. Known as the "New Gallo Wine Amendment," the bill resembled a previous Gallo-friendly bill that was pushed through Congress in 1978 by former Sen. Alan Cranston (D-CA). Dole, righteous and indignant, took to the Senate floor to disparage what he termed "the Gallo Wine Amendment." But that was before the Gallos started doling Dole the dough.

—JB





The media's bad manners

The press's increasingly edgy behavior in New Hampshire gives new meaning to the expression "pack journalism." When Barbara Pressly agreed to hold a "meet and greet" event for Steve Forbes at her Nashua home, she did not anticipate finding seven television cameras, more than a dozen photographers and close to 30 reporters camped out on her back porch. With Forbes shooting up in the polls, the media pack skipped a Phil Gramm rally and hustled over to Pressly's two-story home instead.

Cameramen with step ladders crowded into Pressly's dining room while assistants tried to keep their boom microphones from crashing into her chandelier. As Forbes repeated the virtues of his flat-tax proposal, journalists looked hungrily for new quotes. A few were just plain hungry. When Pressly's bowls of pistachio nuts did not suffice, one reporter crammed into her kitchen ripped open a bag of pretzels and dug in. He escaped without a reprimand. But as reporters exited the jam-packed dining room through a window, Pressly could be heard berating another journalist for banging into her coffee table.

Other lapses of taste in the media seem more forgivable. Following Steve Forbes on the campaign trail, reporters get plenty of opportunities to hear him speak. The only problem is that Forbes always says the exact same thing—five or six times a day. When the nerdy magazine heir now delivers his stump speech, reporters and photographers can be seen

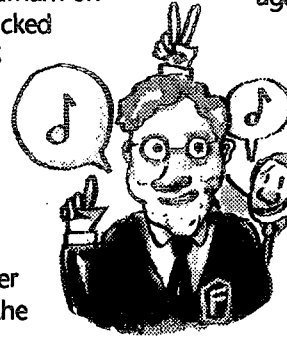
mouth the words along with him.

Imitating the millionaire's staccato monotone has become journalists' favorite pastime, and CNN's Gene Randall may win the prize for best Forbes impersonator. Waiting for the candidate to appear at the Oyster River High School in Durham on February 3, Randall mocked Forbes' favorite anti-IRS rant in full view of Forbes' staffers: "The only thing to be done with it is to strap it down, kill it, drive a stake through its heart, bury it and hope it never again rises to terrorize the American people."

At other times, candidates have tried to make the boorishness of the press corps work to their advantage. The slumping Lamar Alexander was sailing through his stump speech at Blue Cross/Blue Shield in Manchester

on February 2 when the lights suddenly went out. Putting a pro-Lamar spin on the mishap, Alexander's spokesman, Dan McLagan, explained: "The room could hold 60 people, but we had 150 people in there. It was packed and someone leaned up against the light switch."

In fact, a hapless young reporter simply leaned against the wall—accidentally, of course—and flicked off the lights. Though reporters are supposed to cover—not make—the news, those three seconds of darkness featured prominently in coverage of the event on WMUR, the state's most influential television station. And despite this moment of pitch black, Alexander's supporters insist that the lights have not gone out on the Tennessean's faltering campaign.



TOMORROW'S NEWS TONIGHT

By Steve Brodner



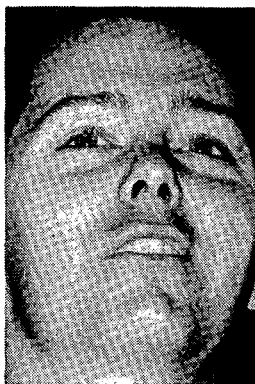
Mrs. Dole's Red Cross background proves an asset to the campaign.

REED'S NORTHERN STRATEGY

If there is a rule that guides the Christian Coalition, it is that politics should never be left to providence, and certainly not during an election year. In December, Executive Director Ralph Reed chose Boston to unveil the Christian Coalition's newest project, the Catholic Alliance. Before a crowd of 400 rapt Christians in the Park Plaza Hotel, Reed hailed Catholics as the swing votes in American politics and predicted that, if Catholics and Evangelicals join forces, "there isn't a single pro-family candidate in any city, in any state, that can't win on election day."

The Northeast, with its large Catholic population and liberal political tradition, may seem a less than congenial hunting ground for the Christian Coalition, but the 1994 election of George Pataki as governor of New York and the re-election of Gov. William Weld in Massachusetts suggest a growing conservative mood in the region. And Catholics nationwide may be shedding their traditional allegiance to the Democratic Party: For the first time, in 1994, a majority of white Catholics—54 percent—voted for Republicans in congressional elections.

Reed hopes the Catholic Alliance—which he has candidly dubbed a "fully owned subsidiary" of the Christian Coalition—can consolidate that support using issues such as birth control, abortion, school vouchers, sex education and homosexuality to unite Catholics and Evangelicals in a flying wedge against America's liberal establishment. The coalition already counts 250,000 Catholics in the organization, or 16 percent of its 1.7 million members. "But we want more Catholics,"



Hold the champagne

THOUGH PEACE MAY HAVE COME TO THE MIDDLE EAST, SOME HUMAN RIGHTS watchers are wondering at what cost. Last month, more than 300 U.S. clergy and lay leaders signed a petition calling on President Clinton to pressure Israel and the Palestinian Authority to stop violating the human rights of Palestinians. The petition, circulated by Search for Justice and Equality in Palestine/Israel, a Boston-based human rights group, asks Clinton to "publicly urge Israel and the Palestinian Authority to abide by international law and human rights conventions." Further, it calls on the president to link future U.S. aid to Israel and the Palestinian Authority to "compliance with human rights covenants." In Israel, according to Amnesty International USA, "Palestinians under interrogation continue to be systematically tortured or ill-treated." As for the Palestinian Authority, Amnesty reports that it is "beginning to receive reports of alleged torture by the Palestinian police and security forces." For example, on July 6, 1994, a 28-year-old Palestinian man died in police custody 10 days after being arrested on suspicion of collaborating with Israeli authorities. There were suspicious injuries on his body. The results of an official investigation have not been made public. —JB



© 1996 TERRY LABAN

Reed told *Christian America* magazine in November. The organization's goal, he added, is to garner a Catholic membership proportional to their representation in the American population at large, or 23 percent.

While there may appear to be some political affinities between the Christian Coalition and conservative Catholics, large numbers of Catholics remain wary of Reed's organization. According to a Hart Research Associates poll conducted for People For the American Way, 51 percent of Catholics view the Christian Coalition negatively, while only 25 percent have a positive opinion.

Similarly, Catholics diverge sharply from the antigovernment rhetoric of the right on economic issues. While 67 percent of self-identified fundamentalists support GOP tax changes, only 38 percent of Catholics do. Nearly half of fundamentalists favor making welfare church-based, while only 31 percent of Catholics feel the same.

Perhaps the Christian Coalition's greatest miscalculation, however, is the assumption that Catholics walk lockstep with Rome on the evangelical platform of platforms, abortion. According to the Hart survey, Catholics reject outlawing abortion 52 to 41 percent, a margin of opinion only slightly narrower than that of the general public.

For now, the Christian Coalition's brand of conservatism seems to have little appeal to the Catholic mainstream. But D.J. Gribbon, national field organizer for the Christian Coalition, suggests that a committed core of conservative Catholics can provide the crucial swing votes necessary to deliver delegates and turn elections in the coalition's favor. Since the New England states, along with New York and New Jersey, could account for more than a quarter of the 996 GOP delegates needed for a presidential nomination, whatever headway right-wing Republicans can make against moderates in the region will make a difference in San Diego next August.

—Theo Emery

© 1996 SHIA PHOTO / IMPACT VISUALS

MANDATE MANQUÉ

Despite the Democrats' efforts to cast Oregon's recent special Senate election as a national referendum against negative advertising and the GOP's budget-cutting agenda, Democrat Ron Wyden's victory, by a margin of 1 percent, over Republican millionaire Gordon Smith was little more than a bitter \$6.4 million draw. The Democratic win will have a major impact in Congress, as it narrows the GOP's margin in the Senate, giving the Democrats 47 seats to the Republicans' 53. But it's impossible to interpret Wyden's slim victory as a mandate of any sort.

After a disastrous early campaign, in which the press ridiculed Wyden for failing to locate Bosnia on the map and to give the price of a gallon of milk in a TV pop quiz, the eight-term congressman reinvented himself by pronouncing a moratorium on the negative advertising that polls showed were losing candidates votes. "Take a stand on negative advertising" became the Wyden mantra, even as the Teamsters and the Sierra Club continued to attack Smith. Wyden's self-proclaimed "revolutionary" strategy won him crucial swing votes, even though during the Democratic primary his campaign had pummeled feisty populist Rep. Peter DeFazio with some of the ugliest negative ads of the race.

In addition to his longstanding advocacy of issues relating to senior citizens, Wyden is best known for focusing on obscure issues relating to prescription drugs and health care. He touts such accomplishments as cracking down on cosmetic surgery scams and health insurance fraud. But his record as a consumer advocate is anything but undisputed. "Time and again he caves in," commented Ralph Nader in reference to a bill Wyden authored that relaxed FDA regulations governing the marketing of

pharmaceuticals. Consumer groups have also complained that Wyden has been all too willing to side with the GOP on key deregulation bills, as he did on the recent Telecommunications Act and the vote to override Clinton's veto of the Securities Litigation Reform Act. (See "Easy money," page 14.)

And Wyden inspires little confidence that he will widen the scope of his interests or immerse himself in complex legislative battles. For example, although he made environmental protection a major theme in his Senate campaign, Wyden admitted that as a House member he was all but absent from natural resource debates. His acceptance speech suggested a similar lack of vision for Oregon; he emphasized he would work for "Oregon values," a meaningless promise given his narrow victory and the substantial cleavage between Oregon's liberal urban enclaves of Portland and

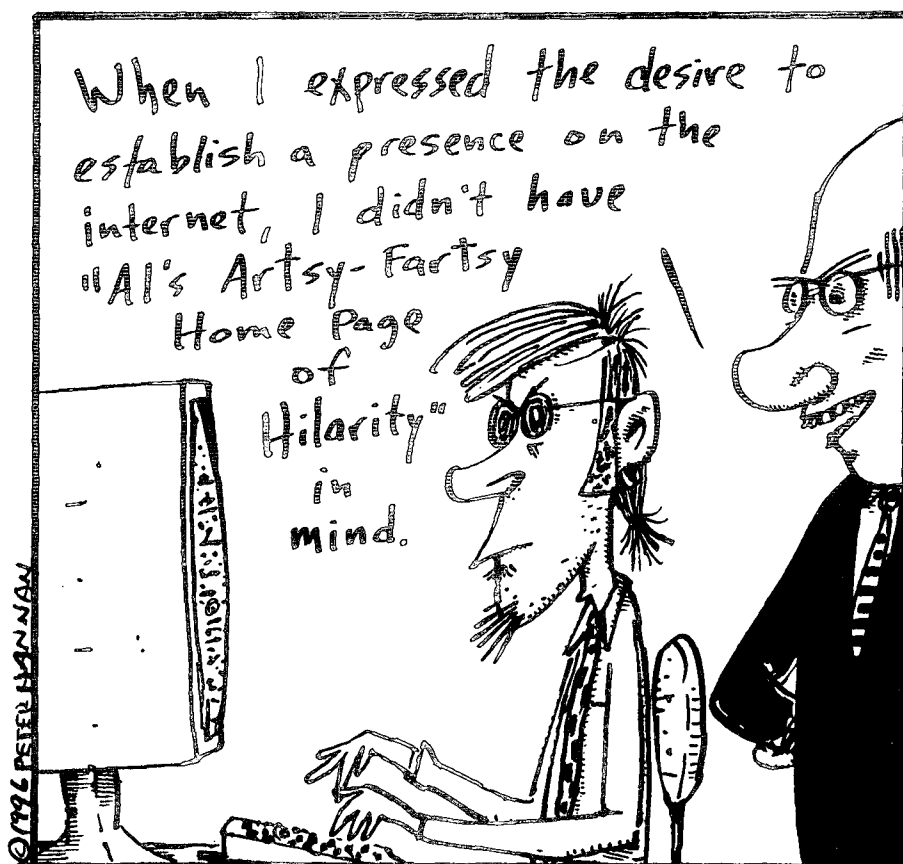
Eugene and the state's largely conservative rural constituencies. Conflicts between environmentalists on the one hand and ranchers, loggers and property rights activists on the other have polarized Oregonians in the last decade; this and the perennial abortion issue preoccupied voters as much as the national budget deficit and welfare reform.

The race may be regarded as a mandate for voting by mail, which in Oregon produced an unprecedented voter turnout of 65 percent and cost the state considerably less than standard elections. Whether voter participation is a measure of the democratic process is another question, however. When one considers that the mail-in system further privatizes civic activity and increases the money spent on campaign advertising, the future of democracy looks bleak indeed.

—Linda Baker

THE ADVENTURES OF A HUGE MOUTH

By Peter Hannan



T H E F I R S T S T O N E

WHITEWATER SANDCASTLES

By Joel Bleifuss

“At Castle Grande Estates you can enjoy the prestige of owning a fine piece of land,” said the 1986 advertisement for what turned out to be a real estate scam concocted by Jim McDougal, the owner of a failing Arkansas thrift, Madison Guaranty, and the Clintons’ Whitewater business partner.

That land deal, in which taxpayers were caught holding the bag for \$3 million in bad loans, has now caught First Lady Hillary Rodham Clinton in what many reporters consider a serious ethical quagmire.

But was Hillary involved in the scam? That is certainly a legitimate question for reporters to pursue. As an attorney at Little Rock’s Rose Law Firm, she did legal work connected to the original acquisition of the property. However, in reporting on the subject, the nation’s leading journalists have severely distorted Hillary’s role in the deal. Susan Schmidt reported in the January 6 *Washington Post* that Hillary told federal regulators that she did “not recall working on the matter,” which “has increasingly become the focus of a criminal investigation.”

In the January 6 *New York Times*, Stephen Labaton noted ominously that the recently uncovered billing “records show she billed Madison for more than a dozen discussions with an Arkansas businessman, Seth Ward, who played a leading role in one of the savings association’s largest losses, a \$4 million land deal that regulators later criticized the Rose firm for helping to structure.”

All of which is damning enough to make even the most skeptical reader believe that with so much smoke, there must be a fire somewhere. But like the controversy over

the firings in the White House travel office, there is less to Castle Grande than meets the eye. (See *In These Times*, February 5.) Schmidt and Labaton imply that unnamed federal regulators have raised serious questions about the extent of Hillary’s involvement in shady land deals. But the findings of the regulators who have probed Castle Grande simply do not support these charges.

In February 1994, the Resolution Trust Corp. (RTC), the federal agency established to oversee the savings and loan cleanup, hired the Los Angeles law firm of Pillsbury Madison & Sutro to investigate the collapse of Madison Guaranty. On December 28 of last year, the firm provided the RTC with an 86-page report detailing the Rose Law Firm’s involvement in the Castle Grande affair.

According to that report, in 1995 Madison owner McDougal hired Ward to scout out promising real estate investments. Ward is also the father-in-law of Webster Hubbell, Hillary’s Rose

Law Firm associate who once served as deputy attorney general and who is now serving time for overcharging the firm’s clients. Ward found a 1,050-acre parcel of land 15 miles south of Little Rock owned by the Industrial Development Co. (IDC), a private Arkansas firm. IDC sold about 40 percent of the property to Madison for \$600,000. The other 60 percent of the property was sold to Ward, who used a \$1.15 million loan from Madison to complete the purchase. In essence, Ward acted as a straw man for Madison, which was evading Arkansas regulations limiting the percentage of assets a thrift could hold in real estate. As a reward for acting as a “warehouser” for Madison, McDougal promised Ward that he would be given a 22.5-acre parcel of prime IDC land, and that he would be paid a commission on all subsequent sales of the land that he “owned.”

That is a bare-bones outline of Ward’s involvement in Castle Grande. As for the Rose Law Firm’s involvement in the scandal, the Pillsbury report states that the “firm has no apparent connection to much of Castle Grande’s history, but it did play a role in [Madison and Ward’s] acquisition of the property.”

The RTC, citing Rose Law Firm invoices, reports that Hillary was one of the lawyers working on the transaction, which is described on the invoices as “IDC.” This fact—that the Rose records refer to the deal as “IDC” and not “Castle Grande”—is crucial to understanding Hillary’s May 1995 claim that “I don’t believe I knew anything about [Castle Grande and eight other real estate parcels and projects.]” Her answer was a direct response

to the RTC instruction: "Describe what—if anything—you knew before 1992 with respect to [a list of nine real estate projects that included Castle Grande.]"

Hillary's accusers in the press and on Capitol Hill have repeatedly pointed to that statement as proof that she was trying to cover up her work on Ward's behalf. In addition, reporters thought they had found further proof of her lack of veracity when the recently discovered billing records showed that Hillary and Ward had spoken a total of 14 times.

But Hillary has never denied that she worked with Seth Ward on IDC-related matters; she simply told RTC regulators that she did not know anything about Castle Grande—a name that appears nowhere on either the Rose Law Firm invoices or on the recently discovered billing records. In fact, despite the media hoopla surrounding their discovery, the billing records contain nothing that contradicts the already available Rose Law Firm invoices, which mention "meetings with Seth Ward" and "conferences with Seth Ward."

In recent hearings before the Senate Whitewater Committee, two Rose lawyers—Tom Thrash, who worked on Madison's acquisition of the property from IDC, and Rick Donovan, who worked with Mrs. Clinton on regulatory questions involving utilities on the IDC property—each testified that they always referred to the property as IDC, never Castle Grande. Further, both said that the first time they heard of "Castle Grande" was during the 1992 presidential campaign. In addition, Davis Fitzhugh, a former vice president at Madison, testified that IDC referred to the property Ward and Madison had purchased, and that IDC was never synonymous with Castle Grande, which referred to a trailer-park development that was carved out of the IDC property. But neither the *Times* nor the *Post* reported on this part of the hearings.

Suspensions have also been raised over the fact that Hillary was involved in drafting a legal document that granted Madison Guaranty an option to buy 22.5 acres of IDC property McDougal had given Ward for \$400,000. Nowhere in that option agreement was either IDC or Castle Grande mentioned, and the work was billed to Madison Guaranty's "general" account. According to the December RTC report, this option—which was never exercised—was prepared "by or for" Hillary. The RTC goes on to note that the May 1, 1986 option was "created many months" after Ward bought the IDC property for Madison, and that "the option seems at most tangentially related to the acquisition itself."

Subsequent to the publication of the RTC report, the regulators asked Hillary about her work on Ward's option agreement, copies of which they provided her. She said she had "no recollection of these documents or the transactions they reflect," but she added that based on her time records for May 1, 1996, "I believe that I did some work on these documents." And she added that

"the documents themselves indicate that Seth Ward owned the land being optioned to Madison Financial Corporation, but nothing in the text of the agreements connects the land to the IDC property."

The RTC investigators concluded that Ward's straw-man purchase of the property for Madison was probably illegal, but "the only solid evidence tying the Rose Law Firm to this acquisition is evidence of the innocent activity of participating in the drafting of the purchase agreement."

And the regulators went on to say that though Hillary had "some role in drafting the May 1, 1986 option, nothing proves she did so knowing it to be wrong. ... [The] theories that tie this option to wrongdoing or to the straw-man arrangements are strained at best."

So why haven't those members of the press who have been so quick to speculate on Hillary's guilt bothered to report the conclusions of the RTC investigation? Mark Fabiani, the special counsel to the president who is the White House's Whitewater spokesman, told *In These Times*: "I think there are some reporters who are invested in this personally and have strongly held points of view." And Arkansas columnist Gene Lyons, writing in *Harper's*, speculated on why no one in the press had "blown the whistle" on irresponsible Whitewater coverage. "It is always safest to run with the pack, and editors who invest thousands of dollars on a scandal don't normally want to hear that there's no scandal to be found."

The danger of misinformation is that it tends to replicate itself. The *New York Times* editorialized on January 8 that the Whitewater committee discovered "that Mrs. Clinton did more than she let on, including work on a sweetheart land deal that accelerated Madison's bankruptcy." And on the same day, a *Washington Post* editorial opined that Hillary's statements to regulators have "contradicted" the documentary evidence. The editorial then approvingly quoted Whitewater inquisitor Rep. Jim Leach (R-IA), who asserted that Hillary "performed extensive and detailed legal work on Madison, including the S&L's purchase of Castle Grande," before concluding that "the First Lady needs to help reconcile the inconsistencies, if she can, between her statements on the record and what the rest of the record shows."

Perhaps the *New York Times* and the *Washington Post* should heed that advice and "help reconcile the inconsistencies" between what their journalists report and what the existing documentary record shows—if they can.

As it stands, by failing to correct the record, editors at the *New York Times* and the *Washington Post* have allowed Whitewater lies to proliferate. Hillary's disapproval rating of 51 percent is now the highest of any First Lady in history. Alfonse D'Amato could have wished for nothing more.

POLITICS

Easy money

How do Washington's big-time lobbyists prepare for major legislative efforts in the 104th Congress? Last May, the American Bankers Association (ABA) offered a textbook study in influence-peddling, treating key staffers from the House and Senate Banking Committees to a weekend at Virginia's lavish Homestead Resort, a playground for the rich and powerful where accommodations begin at \$230 a night. The ABA apparently assumed that Homestead was a perfect setting to make their pitch for a roll-back of bank regulations.

But the participants had their fun spoiled by ABC's *Prime Time Live*, which filmed the get-together for its October 18 show. ABA lobbyists rushed forward to explain that it was merely "coincidental" that the event had been scheduled just days before the House Banking Committee was set to consider key regulatory

"reforms." Not impressed, *Prime Time Live* called the Homestead frolic a "classic example of business as usual" in a Republican Congress that had promised change. Indeed, when the new Congress convened a year ago, lobbyists from both the banking and securities industries—the two giants of the financial community—arrived on Capitol Hill with briefcases full of pre-packaged deregulatory legislation.

Both industries realize that the 104th Congress represents their best opportunity in 60 years to roll back New Deal-era banking reforms and to slash the regulations and consumer protections enacted since then. So far, the nation's overeager bankers have been stymied in their efforts to undermine the banking industry's regulatory framework. But in late December the securities industry racked up a remarkable victory; the industry's lobbyists engineered passage of a controversial bill that makes it much harder to sue companies that lure investors by issuing misleading claims about their future

prospects. Congress passed the sweeping financial "reform" over President Clinton's veto—suggesting that equally sweeping revisions of the nation's banking laws may be still possible in the second session.

Of course, further deregulation would only accelerate the growing wave of banking mergers. Already, Chemical and Chase Manhattan are combining into a \$300 billion bank. And more lenient banking laws seem certain to concentrate the nation's financial resources in the hands of a few conglomerates stretching across the country. If banks receive broad powers to begin affiliating with insurance companies and dealing stocks and bonds—as legislation under consideration would allow—it would be easy to envision a trillion-dollar institution controlling huge segments of the nation's financial markets.

For consumers, the rise of such a colossus will mean fewer choices in the marketplace—and this will translate into higher fees, higher interest rates on loans and lower returns on savings. In recent testimony before the House Banking Committee, Federal Reserve Governor Janet Yellen conceded that banks in concentrated markets "tend to charge higher rates for certain types of loans and tend to offer lower interest rates on certain types of deposits than do banks in less concentrated markets." For low- and moderate-income communities as well as minority neighborhoods, already limited banking services will disappear as branches close and lending decisions are processed by absentee managers.

All this concentration is taking place while federal and state regulatory systems remain virtually unchanged. At the federal level, the nation regulates insured financial institutions with a disjointed, overlapping and often inconsistent structure scattered over five different agencies. Grafted

Congress gets cozy with America's financial industry.

By Ralph Nader

onto this unwieldy network are 50 state regulatory bodies that participate in the regulation of insured banks. And standing behind this shaky regulatory structure is a taxpayer-supported deposit insurance system totally inadequate for the new world of \$300 billion banks and nationwide financial conglomerates.

To make a bad situation immeasurably worse, the Federal Deposit Insurance Corp. (FDIC) decided last year to cap the bank insurance fund after its reserves reached 1.25 percent of the nearly \$2 trillion of insured deposits in the nation's banks. This left the fund with roughly \$25 billion to handle all the problems of more than 10,000 commercial banks. Ricki Tigert Helfer, the Clinton-appointed chairperson of the FDIC, was so thrilled with reaching the 1.25 percent level of reserves that she decided to let banks stop paying further premiums into the fund. In short, the government is now extending free insurance to an industry that has been reaping record profits. The gift is worth \$5.5 billion annually to the industry, enough to qualify as the Corporate Welfare Prize of the Year.

Of course, the failure of even one large bank could never be handled by the current level of insurance reserves. This means that the new generation of banks, with hundreds of billions of dollars of deposits, will simply be "too big to fail." This policy mandates that the taxpayers will pick up the tab to save such institutions or to pay off depositors if they fail—much as they did in the wake of the collapse of the S&L industry. But the efficacy and safety of the regulatory and insurance system are getting virtually no attention on Capitol Hill. No one stepped forward to stop the insurance giveaway. In fact, many applauded Helfer's decision. Happy bank lobbyists equal happy congressmen.

Of course, right now, the only truly satisfied lobbyists in Washington are the securities industry's influence-peddlers, who are still gloating over Congress' override of President Clinton's veto. With some key assistance from corporations and large accounting firms, the securities industry managed to wipe out a half-century of protections for the nation's small investors. The bill, enacted as the "Securities Litigation Reform Act" (S 240), was more accurately described by the *Miami Herald* as a "license to lie." The law deters

investors from suing corporations that make fraudulent claims by allowing the costs of a lawsuit—including all the winner's legal bills—to be imposed on the losers in many circumstances. The law will have a profound effect on the millions of ordinary Americans whose life savings are tied up in pension funds or mutual funds: With corporations better able to evade liability for fraudulent statements, they may be more inclined to provide misleading information to the managers of those funds and to small investors.

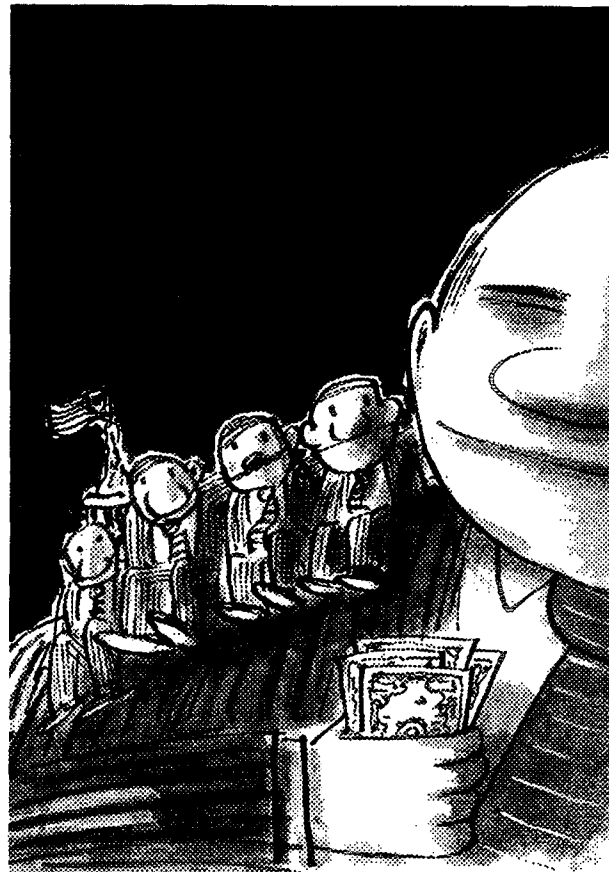
And now, even when their case is strong, investors—who lack the deep pockets of their corporate adversaries—will be much less likely to file suit for fear that a bad decision could mean financial ruin. In adopting the legislation, Congress ignored efforts to ensure that lawyers, bankers and accountants who aid and abet any fraudulent securities schemes be held liable for damages.

Sponsors of the legislation justified their assault on the securities laws on the grounds that corporations were being harassed by frivolous legal actions that, in turn, were overloading the courts. In the *Washington Post* and elsewhere, the "frivolous lawsuit" allegation became the rallying cry of the legislation's proponents. Yet no statistics supported the claim. Of the 235,000 lawsuits filed in federal courts in 1994, fewer than

300 were securities class actions—a number that has not varied over the last 20 years. But facts meant little in the congressional debate. The legislation's supporters twisted the picture, painting a ludicrous scene of a judicial system in which thousands of plaintiffs were clambering up courthouse steps, finding willing judges eager to sock it to corporations.

It was a cartoon version of a court system that was rejected by the leading legal scholars on securities law in letters to President Clinton and in testimony before Congress. Existing rules already give judges—who are overwhelmingly sympathetic to corporations—ample authority to quash frivolous lawsuits and penalize lawyers who file trivial actions. Instead of relying on these long-established procedures, the industry wanted—and got—a one-sided system that locks the small investor out of the courthouse.

Why haven't the banks—not exactly weaklings at the influence game—chalked up a major victory in the current Congress? Probably because the banks



© 1995 PETER MANNAN

reached for too much too soon. On January 12, 1995, even before the banking committees had been organized in the new Congress, the Independent Bankers Association of America issued a 12-page single-spaced wish list of "regulatory relief" instructions for Congress to use in drafting new legislation.

By the time the regulatory relief packages (S 650, HR 1858) had reached the full House and Senate Banking Committees, they were overloaded with industry-friendly provisions—including curbs on public disclosure requirements and generous liability protections for bank directors—and the excesses were easy to dramatize. The Clinton Treasury Department, which remained silent during the fight over securities litigation legislation, played an active role in pointing out the defects in the Republican bills. Both Undersecretary John Hawke Jr. and Assistant Secretary Richard Carnell were constantly on Capitol Hill, attending caucuses, rallying Democratic troops and making certain that the media had an A-to-Z list of the dangers hidden in the regulatory relief packages. In addition, Treasury Secretary Robert Rubin affixed his name to various letters warning against the GOP legislation.

But the biggest weapon in the fight against the GOP's banking legislation was President Clinton's early and continuing threat to veto any banking legislation that crippled or repealed the Community Reinvestment Act (CRA), the landmark 1977 law that requires lending institutions to help meet the credit needs of their communities, including low- and moderate-income neighborhoods. The Republicans badly miscalculated by launching an all-out assault on the CRA. The move stirred fierce opposition from the consumer and community groups who fought for the CRA's creation, while also drawing fire from city and county officials, who feared losing the billions of dollars in private development that the CRA has generated. In addition, Democrats in both the House and Senate acted with rare unanimity in opposing the more extreme banking provisions. The Democrats on the House Banking Committee voted en bloc against the

GOP package, which contained an anti-CRA provision. That move sent a clear signal that a veto-proof margin wasn't in the cards on the floor of the House.

Nevertheless, House Banking Committee Chairman Jim Leach (R-IA) inserted an anti-CRA amendment into the budget reconciliation legislation; that bill, of course, was blocked by a presidential veto. But look for Leach and Rep. Doug Bereuter (R-NE)—along with Republican freshmen—to try to resurrect the anti-CRA provisions on the floor in the second session and seek ways to avoid a veto. The industry wants the CRA wipeout badly, and it isn't likely to let the 104th Congress go into the history books without a last-ditch fight against the act.

Although the anti-CRA provisions may not make it through the 104th Congress, many items on the banking industry's wish list may very well emerge from Capitol Hill. In the Senate, the ranking Democrat on the banking committee, Sen. Paul Sarbanes (D-MD), has worked with Banking Committee Chair Alfonse D'Amato (R-NY) to craft a bill more acceptable to Democrats. Though D'Amato deleted the CRA provisions from his bill, community groups remain wary about rumors that Sens. Richard Shelby (R-AL) and Connie Mack (R-FL)—the longtime sponsors of CRA rollbacks—will attempt to slip anti-CRA amendments into the legislation on the Senate floor or in conference with the House of Representatives. The give and take between the two parties was clearly evident in D'Amato's final bill, which suggests that substantive revisions of banking laws could reach the floors of both houses before the mid-summer break for the political conventions.

And some of the banking provisions still on the table should worry the nation's progressives. Both the House and Senate bills weaken efforts to combat redlining—the practice in which banks deny loans to lenders in minority and poor neighborhoods. All banks with less than \$50 million in assets would be exempt from the Home Mortgage Disclosure Act, which requires banks to specify where they make their mortgage loans. Combined with existing exemptions for banks in rural areas, this means that 4,282 banks—42.7 percent of the industry—would be able to keep secret where they make loans in a community.

Some basic consumer protections are also attacked by the GOP bills. Both House and Senate measures extend authority to the Federal Reserve Board—rarely a friend to consumers—to exempt transactions from application

Free associations and American finance

As the financial disasters of the 1980s proved, and as the excesses of the 104th Congress are reminding us daily, consumers need to find the means to enhance their influence over financial issues. Reformers must renew efforts to establish Financial Consumer Associations (FCAs), state-chartered, nonprofit organizations with full-time staffs that can help consumers band together to serve as watchdogs on financial issues. In several Congresses, legislation has been introduced that would require membership notices of FCAs to be included on statements or billings of financial institutions, ensuring that the maximum number of consumers are able to join the associations.

As the savings and loan debacle should have made plain, consumers, ie., taxpayers—who always foot the bill when legislatures and regulatory agencies fail to protect the public interest—need information up front, not after the fact. FCAs could bring people, not just banks and corporate interests, into the decision-making process on financial issues. (For information on Financial Consumer Associations, write Essential Information, P.O. Box 19405, Washington, D.C. 20036.)

of the Truth in Lending Act, which guarantees consumers full and accurate information on the terms of borrowing. As a result, what disclosures are available on loan terms would, in some cases, be at the discretion of the Federal Reserve, not Congress.

Both the Senate and House bills do damage to the Truth in Savings Act, which was adopted in 1991 to give consumers reliable information on what their money earns when it is entrusted to banks. The House bill cuts the heart out of the act by deleting requirements that force banks to tell consumers the annual percentage rate on their savings—the key information that allows consumers to shop for the best return on their money. Both the House and Senate bills remove the right of consumers to sue banks when they are misled about their savings, eliminating a significant deterrent to schemes designed to misinform savers.

The bills also seek to weaken restrictions against insider lending—a key factor in the failure of many savings and loans in the 1980s. The Senate and House both allow regulatory agencies to exempt executive officers and directors of bank affiliates from insider lending rules. Indeed, the House bill goes further, by removing the authority of the regulatory agencies to require public reporting of insider lending. Public disclosure has been an important deterrent to insider activity and an early-warning signal about insider abuse.

The two bills also undermine regulatory safeguards adopted in 1991 in the wake of the S&L crisis. Instead of mandating that regulators examine all banks once every 12 months to determine each institution's safety and soundness, the new legislation allows regulators to let more than half of the nation's banks go 18 months without an examination. As Congress concluded four years ago, annual exams are critical in detecting problems early, before bank losses overwhelm government insurance funds.

In addition, the legislation eliminates the requirement that an independent public accountant certify an institution's compliance with safety and soundness laws and internal controls. The bills also weaken the independence of bank audit committees by allowing insiders to serve on those committees. The House version weakens the legal accountability of outside directors of banks—thus removing incentives for directors to vigilantly oversee institutions. It also makes it more difficult for regulators to bring legal action against directors whose negligence may contribute to losses at insured financial institutions.

Both bills pull down a new curtain of secrecy over banks by allowing the regulatory agencies to designate certain information in an institution's annual report as "privileged and confidential" and not available to the public. The House bill also eliminates major safeguards of the Home Ownership and Equity Protection Act, which was adopted last year on a bipartisan vote after hearings revealed unscrupulous lending practices on loans for debt consolida-

tions and home improvements.

Many of the GOP's most egregious banking provisions—like the wipeout of community lending laws—may die a deserved and ignominious death in the 104th Congress. But the big banks' most fervent dream—the repeal of the 1934 Glass-Steagall Act—remains very much alive. That landmark New Deal reform, which clearly separated the nation's banking and securities industries, helped stabilize America's financial markets during the Depression.

Nevertheless, major revisions, if not outright repeal, of the law have varying degrees of support within the Clinton administration and among both chairmen of the congressional banking committees. Much of the argument over Glass-Steagall now centers on technical disputes over whether the expanded powers given to banks will be exercised directly by the banks themselves or within separate subsidiaries. The two parties are also arguing over whether the Federal Reserve or the Comptroller of the Currency will become the dominant regulator of the new megabanks likely to be created. Leach's legislation grants the Federal Reserve extensive powers to control the evolving structure. Some Democrats who support the repeal of Glass-Steagall have expressed concern that Leach's approach will make the Federal Reserve a "super regulator" with inordinate power over the future of banking.

Treasury Secretary Rubin has proposed the creation of a National Council on Financial Services—chaired by the secretary of the treasury—to determine which new services banks could perform. Rubin would allow banks to offer a variety of financial services—including insurance dealing and securities trading. Senate Banking Chairman D'Amato has proposed the most sweeping bill, one that would allow banks to affiliate with virtually any enterprise, including non-financial firms. With D'Amato expected to take up the legislation in late spring or early summer, progressives should start mobilizing now to block any weakening of Glass-Steagall.

Unfortunately, memory is short in Washington. A little more than four years ago the bank insurance fund was running a \$7 billion deficit, and the taxpayers had already picked up a \$200 billion tab for the S&L bailout—not counting interest payments. Ironically, the 104th Congress—with its obsessive focus on cost-cutting and balanced budgets—may prove to be the most costly Congress in our history. When senior citizens, small savers, pension funds, municipalities and state governments start paying the tab for new securities fraud, will the losses be placed on the ledger sheets of the 104th Congress? And when the deposit insurance funds prove inadequate to cope with new congressionally sanctioned powers, will this be tallied as part of the cost of the 104th Congress? ◀

Ralph Nader, the consumer advocate, is co-author of *No Contest*, a book on corporate lawyers to be published this fall by Random House.

POLITICS

Third and long

A

t few other times in this century have so many Americans lost faith in our two major political parties. In survey after survey the numbers keep rising. Frustration, disappointment and disgust with politicians know no ideological boundaries. But responses have varied greatly across the political spectrum. On the right, Christian conservatives have organized within the Republican Party, which enabled them to sweep many of their supporters into Congress. Now they strongly influence the nation's political agenda. In the center, frustrated and without a coherent worldview, the naysayers have rallied around H. Ross Perot. In 1992, they gave him 19 percent of the popular vote. Now they are organizing for a possible next time. The left is alone on the political spectrum in failing to push its program to electoral poli-

*Will
third-party
politics rouse
the left
out of its
current
malaise?*

By James Weinstein

tics. Instead, fragmented into the gender, racial and ethnic groupings that emerged from its post-'60s collapse, it has been relegated pretty much to rearguard damage control. Now the main activity of these groups is defending their own turf in the face of Republican attacks on the social gains of the past 50 years.

But this appears to be an almost hopeless task in the face of Bill Clinton's pathetically unprincipled performance since 1993. Not surprisingly, therefore, a handful of individuals and groups have begun thinking about a new left politics based on our common humanity rather than defense of blood, gender or culture. Of these, the New Party, a New York-based group that is attempting to create a new electoral movement starting at the local level, and Labor Party Advocates, a group organized by former Oil, Chemical and Atomic Workers leader Tony Mazzochi, appear to be the most thoughtful.

In recent months, however, other new groupings have been more visible. One, consisting largely of various state Green Party contingents, calls itself Third Parties '96; the other, brought together by former *Texas Observer* editor Ronnie Dugger, calls itself the Alliance.

The Alliance got its start from a manifesto Dugger published in *The Nation* in August. Inspired by the 19th-century Populist movement, Dugger wants to "seize the word back from its many hijackers" on the right—those who use it to mean anything that is, or appears to be, popular. In his *Nation* piece, Dugger explained that he emphasizes Populism because, unlike this century's progressives, trade unionists and liberals, the 19th-century Populists alone denied the "legitimacy of corporate domination of democracy." And this, he affirmed, is the central problem of our time, more important at the end of the 20th century than at the beginning, because our corporate oligarchs "have multiplied into the corrupters of our politics and [have become] international networks of greed and power."

Dugger's dream of a new Populism is nothing if not grandiose, which helps explain its appeal. He believes that this year will see four or five significant presidential candidates and the "smashup of the two-party system." When that happens, he projects, his new movement will reconstitute itself into a majority party to "reclaim and reinvent democracy." In other words, this is "not a call to get ready for 1996 politics," or to decide now who to vote for in November. Nor is it a short-range project. Dugger proposes nothing less than a five- or 10-year campaign "to organize the many disparate associations and efforts into one new national movement," capable of founding "the first genuinely international democracy."

In describing the problem and proposing public policy in some detail, which he did in his manifesto, Dugger took an important step toward articulating core principles for an American left. But he also called for a massive founding meeting of a citizens alliance in St. Louis on November 10, only three months after his call appeared. This move, inspired by the Populists' experience in 1891-

92, when the People's (Populist) Party came together as the political expression of an already well-developed network of farmers' alliances, was a fatal misreading of both Populist history and present conditions.

The 1892 convention in Omaha was the culmination of a lengthy process of thought and activity. For at least 15 years, starting around 1877, farmers had organized and honed their ideas. At its founding convention, the new party, although diverse in many respects, agreed overwhelmingly on a platform that called for easing credit by increasing the money supply, government control of the currency, public ownership of railroads, telegraph and telephone systems, and an end to monopolistic and foreign ownership of land.

Dugger's proposed conference, on the other hand, was to be a first step. The folly of this approach was apparent in the introduction to the otherwise valuable set of proposals that Dugger tacked on to his manifesto. Apologetically, he explained that he had included these ideas only at the request of *The Nation's* editors. His contribution, he insisted, was "no more important than anyone else's." Indeed, he suggested that he preferred to leave the field totally blank and to depend on "democratic conversations" in St. Louis to determine what his Alliance might stand for.

Not surprisingly, it quickly became clear that the massive St. Louis convention Dugger envisioned could not be put together by November. Instead, on the 11th of that month some 65 people gathered at the University of Chicago to plan a then-proposed February meeting in St. Louis. Here, Dugger's naiveté was more palpable. Leading off the discussion, he approvingly quoted a friend who said that "the problem in this movement now is to get ourselves off rhetoric and ideas." This meant, Dugger went on, that "the democratic idea does not have to be established ad nauseam ... the word is recruiting." And "the plan is how to organize." This was to be done as follows: "Talk to one person. Talk to another person. Talk to another person. Then repeat."

But what to say to them? What issues to discuss? What principles to espouse? What political strategy to propose? And, most important, what does the democratic idea mean in this age when democratic formalities are as well established in this country as anywhere on earth?

Instead of raising such issues, Dugger asked, "Will you wrangle three hours over what isn't important ... or will you get down to serious business in half an hour?" The participants answered by ignoring questions of substance, as instructed—and then by wrangling for the next three hours over whether to decide issues by majority vote or by consensus.

After repeated efforts to approximate what would be the fairest process, it was decided that decisions should be made



Conferees at January's Third Parties '96 convention in Washington, D.C.

by a two-thirds vote, but that the losing third could move to reconsider any question at any time. During this interminable discussion, only one issue of substance was raised, and even that was disguised as a question of procedure.

The issue was the absence of African-Americans, or, rather, the presence of only two blacks. Dottie Markowitz, a delegate from Baltimore, raised the issue by announcing that she had been sent to Chicago by a member of the alliance from Boston who feared that this would be an homogeneous group that could not represent the 40 percent of Americans "who are most affected by the system the way it is right now." This was intolerable, she suggested in her best politically correct manner. Having been in many organizations of "predominantly white, professional, middle-class folks," and having suffered "lots of battle scars," she said, she had made a vow to herself a few years ago not to join any organizations that did not include, from the very outset, all the voices that needed to be in the room.

Her recommendation, therefore, was to change the agenda of the entire meeting so that a small group could focus on getting together the folks "that really should be making the decisions" on what the St. Louis meeting would look like.

Underlying this minor bombshell were some real questions: Who did this alliance represent? What key issues would it focus on? And on what basis would the various social forces—deemed essential by all—be brought together? Dugger's answer was that none of this mattered. This was to be a "coalition in action only." It would have no unity of approaches or theories, just a "direction." And his views were echoed from the floor. Oblivious to the underlying questions, one delegate said that "if we concentrate solely on getting a small group that looks pretty in its representation of everyone, it's going to turn into a theory session." Others agreed. Dottie's proposal was voted down overwhelmingly, and she and her supporters filtered away at the lunch break.

The fear of a "theory session"—or, at least, of all talk and no action—was not unfounded. Over the past decades, there have been many gatherings in which "all the voices that needed to be in the room" appeared to be there, but

from which the result was simply a laundry list of politically correct demands and wishes. Some of these positions might even have connected to the real needs or desires of various larger constituencies. But, even if this might prove true, no left group has made the connection, because such groups have not yet mounted a sustained effort to test left ideas or principles in electoral work or other arenas of action beyond their own confines.

So far, the weaknesses of the Alliance are clear; its strengths are less so. Wherever Dugger is able to present his ideas about corporate corruption of our politics and culture, he gets a good response. His article in *The Nation* elicited more than 1,500 responses, and when he spoke on C-SPAN recently, the Alliance got more than 600 calls. Alliance organizer Ronnie Cummins of Minnesota also reports that wherever he passes out Dugger's manifesto he gets enthusiastic responses.

Since the Chicago meeting, too, the organizers seem to have taken a step back and begun to plan on a more realistic basis. The founding convention is now scheduled for Labor Day, in Chicago. And in some places, notably Minneapolis, Alliance people are getting together with New Party people and others to examine where the left has gone wrong and what they can learn from the Christian Coalition and its successes.

This includes defining key issues. One that Cummins suggests is a more equitable tax structure that would steeply increase the tax load on the wealthiest Americans and reduce or eliminate income taxes on low- and middle-income working people. Another is a single-payer health care campaign that, unlike the California effort

last year, would concentrate its efforts at the grass-roots level, both educating and learning from the experience of those being organized.

Cummins believes that the prospects of the Alliance depend largely on recruiting experienced organizers to plan concrete activities for new recruits brought in by reading Dugger's manifesto or hearing him speak. With Alliance groups now developing in some 18 to 20 cities, it's still a long shot, but there seems to be a good core of open-minded, experienced people strongly committed to creating a new progressive populist movement. Whatever happens, their experience should be useful to the left in the long run.

Organizers of the Third Parties '96 (TP '96) coalition have few differences with Alliance members on public policy issues, and they certainly share the anti-corporate focus expressed in Dugger's *Nation* manifesto. Yet the two groups differ in important ways, as was demonstrated at TP '96's Round Two conference in Washington, January 5-6.

TP '96 is a coalition of small groups, comprised mostly of '60s vintage cultural leftists, with a sprinkling of old leftists thrown in. At Round One, in June, representatives of some 26 parties and associations attended. Twelve of these were Green Party affiliates, while the rest included the Democratic Socialists of America, the Socialist Party, the Communist Party, Committees of Correspondence, the New Party, Natural Law Party, the Patriot Party of Virginia, the Independence Party of Kansas and the Libertarian Parties of Virginia and Maryland. In addition, members of several non-party groups attended. These included the American Federation of Government Employees, ACT UP, Women Strike for Peace and Progressive Assets Management of Oakland, Calif.

Judging by the turnout at Round Two in January, many of these parties and groups seem already to have melted away. On the first day, a Friday, I counted about 60 people. On Saturday, I expected many more, but even with the addition of Lenora Fulani and an entourage of some 25 African-American women, the number increased only to 75, although this infusion of color raised the ratio of blacks to whites to 1 in 3.

The Fulani group was impressive, consisting largely of well-dressed, articulate and seemingly experienced people. But, as Fulani made clear toward the end of the day, her group didn't quite mesh with the rest of those in attendance. Both groups want to break out into the mainstream and become players in national politics. But while Fulani is more than willing to "put a lot of issues on the back burner" in order to build the National Patriot Party—her most recent creation—the Greens and their allies are still struggling to move beyond the self-contained culture of the post-'60s left.

—J.W.

The Nader factor

Although Third Party '96 seemed determined from the beginning to place a nominee on this year's ballot, it has no apparent candidate of its own. But just before the January meeting a *deus ex machina* appeared in the form of Ralph Nader, who announced last fall that he was considering a challenge to Clinton. When the Santa Monica, Calif., branch heard this, it quickly organized a group of 47 local leaders around the state to petition Nader to run in the Green Party presidential primary. On November 27, the Greens announced that Nader's name would appear on their primary ballot, and in early December a Field organization poll gave Nader 11 percent against a Clinton-Dole or Clinton-Gramm election, and 12 percent against a Clinton-Forbes race.

Since then, Nader has agreed to be on the Green Party ballot in Maine, and has told TP '96 that he wants to help their state parties and other compatible state parties gain or maintain ballot status, notably in Colorado, Minnesota, Pennsylvania and Rhode Island.

The chairman of the California Democratic Party reacted to this development by saying that "a vote for Ralph Nader is a vote for Bob Dole," but a recent poll indicates that Nader's 11 percent of the vote does not change the result in a Clinton-Dole race. It's unclear whether this means that Nader draws equally from both major parties, or whether he would draw into the voting booths people who would otherwise not vote.

These limitations became painfully obvious as the TP '96 group tried to frame an agenda. At Round One in June, the delegates spent most of their time trying to reach consensus on 17 points of a "new mainstream" Common Ground Declaration designed to "challenge the two-party stranglehold on political power in the United States." At an interim meeting in Boulder, Colo., in November, delegates refined the points down to 12. And at Round Two in January they trimmed the platform further. The proposal calling for local communities to "have the right to make decisions for their areas through democratic neighborhood assemblies," which had overwhelmingly won approval at Boulder, was voted down after the Fulani people objected, arguing that it violated the Constitution.

Most of the remaining points were the left-wing equivalent of motherhood: public campaign financing, ensuring that all jobs pay a living wage, a shorter workweek with no cut in real pay, a ban on the hiring of replacement workers during strikes, housing as a human right, development of wind energy, public financing of education, sustainable agriculture. Hours were spent discussing the wording of these generalities, but nothing was said about the process of achieving these goals, or about how they might be used to build a popular electoral base. Nor did anyone seem concerned that although they had achieved consensus or near consensus from 75 delegates, they had no idea whether all, or any, of these points were capable of creating a constituency for their movement.

To an outsider, these discussions had a disturbing air of unreality. The seriousness and intensity of the debate on these issues seemed oddly out of joint with the chances of gaining enough popular support to get any of them acted upon. Nevertheless, Linda Martin and John Rensenbrink, the national co-coordinators of TP '96, proclaimed that they intend to package themselves and their probable candidate "in the robes of a serious, commonsense political alternative." (See sidebar.) And they plan to field "a team of cabinet secretary nominees," each of whom would embody "a philosophy" and offer a proven track record. This would enable them to make the party's limited platform more concrete. This would also reduce media concentration on the main candidate and strengthen the campaign against "the two-party crowd" in November.

But while the leaders of TP '96 are seeking self-sufficiency, Fulani is looking in another direction. As she told the gathering late on Saturday, her New Patriot Party is made up largely of Perot supporters and, at his request, is actively participating in the seven states where Perot is petitioning to get on the ballot. This, she says, is an "effort to move beyond labels," and "to bring together the black, Latino, progressive and gay communities with the radical right center." Not surprisingly, she said that such an effort requires soft-pedaling left ideas and even concern about the head of the ticket, in the interest of establishing a major third party. "Frankly," she said, "I don't give a shit who the candidate is, I just hope these forces can all work together."

Those on both sides of this divide are earnest people, many of whom have spent the better part of a lifetime working to create a more just and democratic society. But many, if not all, of those present seemed to confuse personal principle and rectitude with the process of creating a popular left secure in its own worldview. The difficulty of separating particular left cultures from political process came into high relief at the TP '96 gathering when Ted Glick, national coordinator of the National Committee for Independent Political Action, spoke on the first day at a panel on identity politics. Glick discussed racism and the difficulty of building multiracial and multicultural unity, which, he pointed out, was an absolute necessity if we are serious about changing the realities of power in this country. "We can never, ever, expect to win political power in this country," he said "unless we build a genuine alliance across racial and cultural and color lines." Part of this process, he explained, involved learning from and sharing leadership with people of color.

But he also insisted that such an alliance required a personal and social transformation. This included the need to be able to develop genuine friendships with people of color, in order to break down the fear and guilt of many white progressives. And it included a distinctly ahistorical version of the history of racism in this country. It all began 503 years ago, Glick said, "when Christopher Columbus arrived in the Americas and began the process of genocide that has led us to where we are today."

Interestingly, the next speaker, who was from a local African-American group called the Umoja Party, implicitly rejected these last ideas. He began by thanking the group for inviting him. This was, he said, the first time he'd ever been to a gathering of all European-Americans, and he found some of Glick's remarks very moving. But, he implied, "strategies to get us to move beyond the population that you see here" do not require personal relations or a particular understanding of history, but public manifestations of support in struggles against the injustices of the inner cities. His party's main concern was with police brutality against African-American youth, astronomical incarceration rates and other inner-city problems. "And so," he concluded, "if we can come together in those kinds of efforts, I think you will see more African-Americans in your organization."

This exchange was emblematic of the main group's tendency toward a political correctness, or sectarianism, that included ironclad certainty, shared by Fulani, about the need to operate outside the framework of the two official parties. This tendency is also apparent in the ranks of the Alliance (although there it is tempered by a greater degree of flexibility), and it remains unsettled in the ranks of Labor Party Advocates.

For all their limitations, though, both the Alliance and Third Parties '96 are positive stirrings of the American left back into the arena of electoral politics. And this, in turn, could help transform an American left mired for the past decade in the self-defeating morass of identity politics. ◀

L A B O R

Hacks and hatchet jobs

Reporters and editors today tend to believe that labor is passé, that workers are irrelevant and uninteresting, not part of a paper or magazine's desired demographics. Most reporters believe that labor and the workplace are second-class beats, not the way to a top career on the White House beat or in the Paris bureau.

Misled by a disinformation campaign, the press is smearing Teamster President Ron Carey.

By William Serrin

Thanks largely to this mindset, today's coverage of American unions is astonishingly ill-informed. Lacking a sense of the issues, the personalities, the history of labor, even good reporters get suckered by bad stories. Such a story is the traducing of Ron Carey.

For more than four years, several leading organs of the American press have engaged in a relentless campaign against Carey, president of the International Brotherhood of Teamsters. Newspaper after newspaper, magazine after magazine, often using

information provided by three mysterious enemies of Carey—two former associates of Lyndon Larouche from Detroit and a zealous New York attorney—have reported that Carey, elected in December 1991 on a reform platform, is a crook, not a reformist.

Time magazine, the *New York Times*, *Business Week*, the *Washington Times*, *Newsday*, the Associated Press, National Public Radio, the *Los Angeles Times* and *New York* magazine have all run stories strongly slanted against Carey, some more than once. The charges are baseless, as a report by an independent court-appointed panel has found, and as many respected observers familiar with Carey and the Teamsters know. But none of these publications has admitted any error, nor has any media critic explained how Carey could be so viciously attacked in one of the most egregious disinformation campaigns in modern American journalism.

Carey's efforts to reform the Teamsters have been substantial; indeed, they ought to be considered one of the great labor stories in decades, but they have received little attention. Carey plans to seek re-election as Teamster president this year. His major opponent will likely be James R. Hoffa Jr., son of the infamous Teamster leader who disappeared in 1975. The charges against Carey make his re-election—on its own a formidable task, given the scalawags who remain in the union—doubly difficult. Throughout the campaign the press will regurgitate Carey's clips and the unfounded charges against him.

Hoffa, on the other hand, has benefited from favorable press coverage, despite certain facts that make his candidacy suspicious: He never has been a working Teamster, and his associates are largely members of the union's corrupt old guard that Carey has long attacked. Hoffa is trading on his father's name, which the press loves because it allows them to dredge up all the old mob and murder stories or, alternatively, to reprise the favorable mythology that has been built up around Jimmy Sr.

When he was elected in 1991, Carey inherited tremendous union problems, which he sometimes complicated by making unnecessary trouble for himself. For example, shortly after his inauguration, Carey began to argue with Frederick B. Lacey, a former U.S. district judge named in a consent decree to act as a government overseer. The two disagreed on how large a role, and at what cost to the financially strapped union, the court-appointed overseers should play. Meanwhile, Carey's enemies remained in control of a majority of the union's 600-odd locals and of its regional organizations.

Among Carey's enemies are the three mysterious accusers: The two Detroiters, Richard Leebove and George Geller, who say they renounced their allegiance to Lyndon LaRouche and his U.S. Labor Party in 1981, and Michael J.

Moroney, a veteran Department of Labor lawyer who had served with the federal team that oversaw the union after the 1989 takeover, and who landed a job as assistant federal trustee of Teamster Local 295 in New York.

Leebove runs R.L. Communications Inc., a small public relations firm in downtown Detroit. In the '80s, Leebove assisted in circulating materials that claimed communists were working to elect Richard Trumka—now the AFL-CIO's secretary-treasurer—as president of the United Mine Workers. In the early '80s Leebove also worked as a propagandist for BLAST (Brotherhood of Loyal Americans and Strong Americans), a strong-arm organization formed by Jackie Presser, later the Teamster president, to counter Teamsters for a Democratic Union, a reform group that was instrumental in Carey's election. During the 1991

The press was sold a bill of goods by two bozos from Detroit.

Teamsters election, Leebove wrote and circulated 70,000 copies of *Teamster Election News*, which, for the first time, alleged that Carey had ties to organized crime. Leebove is retained by Larry Brennan, president of Teamster Local 337 in Detroit and an ardent Carey foe, to handle publications and publicity—all with an anti-Carey tone. Leebove also works for Hoffa's presidential campaign. (It was Brennan who gave Hoffa a job as a Teamster attorney, and thus made him eligible for the union's presidency.)

Geller, whose offices are in Farmington Hills, outside Detroit, has been working for old-guard Teamster leaders since he left the LaRouche party in 1981 and began writing union newsletters with Leebove. He receives thousands of dollars a month from Brennan as an attorney for Teamster Local 337. He is also a key Hoffa supporter.

Moroney served as an Army intelligence officer during the Vietnam War and after attending law school became an organized crime and labor racketeering specialist in New York City. He later became a racketeering specialist with the U.S. Department of Labor. When the Justice Department placed the Teamsters under federal control in 1989 under the Racketeer Influenced, Corrupt Organizations Act (RICO), Moroney went to work for Charles Carberry, the union's government-appointed investigations officer. In early 1992 Thomas Puccio, a Park Avenue attorney and former U.S. prosecutor who had been named trustee of Teamster Local 295 at Kennedy International Airport, made Moroney his assistant trustee. Moroney has since been fired.

Once Carey was elected, Leebove, Geller and Moroney entered into an alliance to give information to the press contending that Carey was corrupt. Several reporters, including Carey's traducers, say that the three called them many times.

The Leebove-Geller-Moroney conspiracy began to pro-

duce results in December 1992, when a story by investigative reporter Richard Behar in *Time* magazine criticized Carey for "foot-dragging" in the fight to clean up the Teamsters and made other charges against Carey that the three would later bring to the union's Independent Review Board and the federal government. The article criticized Carey for, among other actions, trying to install a New York Teamster figure, William Genoese, as head of Local 295 at Kennedy International Airport, the local for which Moroney had been named assistant trustee. The Genoese appointment was subsequently voided by Lacey, the union overseer, who said that Genoese had been "unbelievably oblivious" to Teamster corruption at Local 295. Carey admitted the appointment had been a mistake.

In the spring of 1993, Moroney pulled off what he calls the achievement of his life—something that has played a large role in the negative coverage of Carey and surely will continue to do so. With the assistance of Thomas Puccio, he says, he managed to meet for two days with Alphonse D'Arco, a longtime New York mob figure who has confessed to killing or conspiring to kill 10 people, and is now in the federal witness protection program. Moroney says he was not allowed to take notes during his interview with D'Arco, but he recalls D'Arco telling him: "You think Ron Carey is a reformer? He's with us."

No reporters—just FBI agents and Moroney—have talked to D'Arco. Nonetheless, Moroney was a major source for a June 1993 front-page *New York Times* story by Jeff Gerth and Tim Weiner, both investigative reporters, that recounted the Genoese story and went on to say that Carey had refused to cooperate with Moroney and Puccio's efforts to clean up Local 295. The *Times* was playing catch-up with *Time*, but advanced the story by making the first mention of D'Arco and his reported charges against Carey. The article reported that, according to unnamed "federal investigators" probing into Local 295, "Alphonse D'Arco, the former acting boss of the Lucchese crime family, described dealings he said he had with Mr. Carey many years ago."

The *Times* story, given that paper's importance, made Carey an easy target and gave rise to a firestorm of stories condemning Carey. And as Moroney was assisting the *Times*, Leebove and Geller were making sure that the *Time* and *Times* pieces, as well as other articles critical of Carey, were disseminated throughout the union and to other reporters. They also continued to seek out investigative reporters, or others, usually general assignment reporters, with whom they had friendly relationships.

In August, a *Newsday* story by Joseph Calderone, headlined "Union Big Had Ties to \$2M in UPS Stock," pilloried Carey for not disclosing that he inherited money from the estate sale of his father's \$2 million holding in UPS stock. (Carey's local, 804, is a UPS local, and UPS is the nation's largest employer of Teamsters.) Carey immediately replied in the press that his father, who had been a UPS driver, bought eight shares of UPS stock for \$320 in 1935 and that at the time of his death that stock had grown to 112,000

shares, worth about \$1.9 million. He also said that his father's estate, worth \$2.1 million, had five beneficiaries in addition to himself. The Department of Labor confirmed that Carey never inherited the stock and therefore had nothing to disclose. The rebuttal received little attention.

In July 1994, the court-appointed Independent Review Board, composed of Lacey, the ex-federal judge, who at times has been highly critical of the pace of Carey's reform efforts, William Webster, former director of the FBI, and Grant Crandall, a Charleston, W.Va., labor attorney, issued an 85-page report exonerating Carey of charges the press had levied against him. The report also debunked Leebove, Geller and Moroney's charges that Carey was tied to the mob.

But the newspapers and magazines that had done so much to establish Carey's guilt said little about the report. The *New York Times* gave nearly two columns to the story but placed it on page B-2, not on A-1, where the *Times* story critical of Carey was placed in July 1993. *Time*, the first to hype the allegations against Carey, gave the report 13 lines in the magazine's short "Milestones" section and added dismissively that "Carey's enemies charge a cover-up."

The Carey smear is apparently a story that will not die. Last July, *New York* magazine, which almost never does labor or workplace reportage, published a joint profile of Carey and James R. Hoffa Jr. that rehashed all the charges against Carey: D'Arco's alleged statements, Moroney's charge that Carey is a Lucchese family mole and more. Despite the fact that Moroney, by then an embarrassment to the government, had been removed as assistant trustee of Local 295, he was a major source for the story.

The *New York* story, written by contributing editor Jeffrey Goldberg, bought the Leebove-Geller-Moroney line and dismissed the Independent Review Board's report exonerating Carey. Noting that Carey comes from New York, which has a history of mob control in some unions, Goldberg opined, "It would be surprising—not impossible, but surprising—that a man in his position would have had to make no compromises at all." Having based most of his story on inference and supposition, Goldberg continued, sanctimoniously, "The union will be strong when it cleans up its image, and it will flourish only through effective organizing, which is difficult when the two leading candidates to run the union appear so compromised."

Reforming the Teamsters is one of the roughest jobs in America, and Carey has not been perfect. He is neither a schmoozer nor an affecting speaker (although it seems unfair to attack him, as *New York* magazine did, as a "slight, gray man who greases his hair and wears ill-cut suits"). He also should have made public his Florida and Arizona real estate holdings and his inheritance from his father's estate, given the disclosure expectations of public figures.

But to condemn him as an associate of the mob, with no proof other than the cockeyed conspiracies of union enemies,

unnamed "federal sources" and a former mob leader who has admitted to 10 killings is simply wrong.

Carey has accomplished much as Teamster president. He has placed nearly 60 locals in trusteeship. He has saved the union \$15 million a year by closing the union's four regional administration offices, where union barons made salaries of as much as \$300,000 a year. He has cut the president's salary from \$225,000 to \$150,000. He sold the union's jets, the famous "Teamster Air Force," for \$11 million. The Independent Review Board and the government have forced dozens of union officers, in small positions and large, from the union, and Carey was a leader of the AFL-CIO executive council faction that forced President Lane Kirkland to step down. He has assembled what is perhaps the top staff in the labor movement, he is an excellent bargainer, and he has led three largely successful national strikes, including a freight haulers strike. He is working against formidable foes to make the union vigorous and democratic.

Reporters who wrote stories linking Carey to organized crime maintain that Carey, as head of the Teamsters, is a legitimate subject for scrutiny, and that they only reported what investigators told them. "Carey doesn't come clean," *Time*'s Behar says. "He is fair game." Another reporter who wrote a story critical of Carey—the reporter will not go on the record—says it is not his responsibility to ascertain the truth of charges made against someone, only to balance what is said. *Newsday* labor reporter Kenneth W. Crowe has another point of view. He says, "The press was sold a bill of goods by a wacky investigator and two bozos from Detroit who used to work for Lyndon LaRouche."

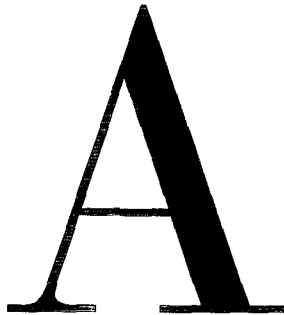
The few reporters who remain to cover labor in America have not touched the Carey story or, when they have written on it, have been careful and circumspect. There will be much interest in Carey this year with the Teamsters election. Most reporters assigned to the story will have no background in labor coverage, and, especially in this age of electronic clips, will pull up all the Carey stories and use them against him.

Many reporters, finally, have come to regard bad as good and good as bad. That is, bad stories—charges, say, of illegal or unethical acts—are good, because they make good copy, a page-one story, a minute or so on the evening news. The press today is cynical and quick to condemn, and many reporters are as ambitious and career-minded as bankers or politicians. Stories that might be regarded as good—a story, perhaps, on what union organizers or union officers do, problems (or progress) in improving workplace safety, the travails (or achievements) of America's troubled working-class communities—are bad, because they probably will be dumped inside or probably will not make the evening news. A good story, as Carey's case illustrates, means trying to get the goods on somebody, even when the goods aren't there. ◀

William Serrin, a former labor reporter for the *New York Times*, is chairman of the journalism department at New York University.

B L A C K A M E R I C A

Moving mountains



government sting operation that allowed illegal dumpsites to operate for years in several of Chicago's predominantly black neighborhoods has triggered outrage from city residents and sparked renewed interest in the fledgling environmental justice movement.

Operation Silver Shovel, the FBI's colorfully named but tawdry caper, featured a government informant, or "mole," who reportedly bribed aldermen and other city officials to look the other way as he illegally dumped thousands of tons of waste material—some of it hazardous—into their jurisdictions. According to officials at Chicago's Department of the Environment, more than 3 million cubic yards of debris have been dumped illegally on eight sites, and the cost of the cleanup has been esti-

mated at \$15 million.

"We just weren't respected at all," says Judge C. Watkins, who lives at the foot of a four-block-long, 70-foot-high mountain of debris created by the government mole, on the city's West Side. Watkins has been deeply involved in his community's furious but fruitless efforts to force a cleanup of the dumpsite. Oddly enough, the existence of what has come to be called "the mountain" was the major issue in the ward's last aldermanic campaign. "A reasonable person knew there was no way that much debris could be dumped without a person in authority knowing what was really happening and allowing it to continue."

The huge scale of the dumping operation and the lack of official response attracted many environmental activists to the cause and refocused attention on environmental racism, an issue with which Chicagoans are quite familiar. The city's predominantly African-American and Latino southeast side has long been notorious for containing the greatest single concentration of hazardous waste sites in the nation.

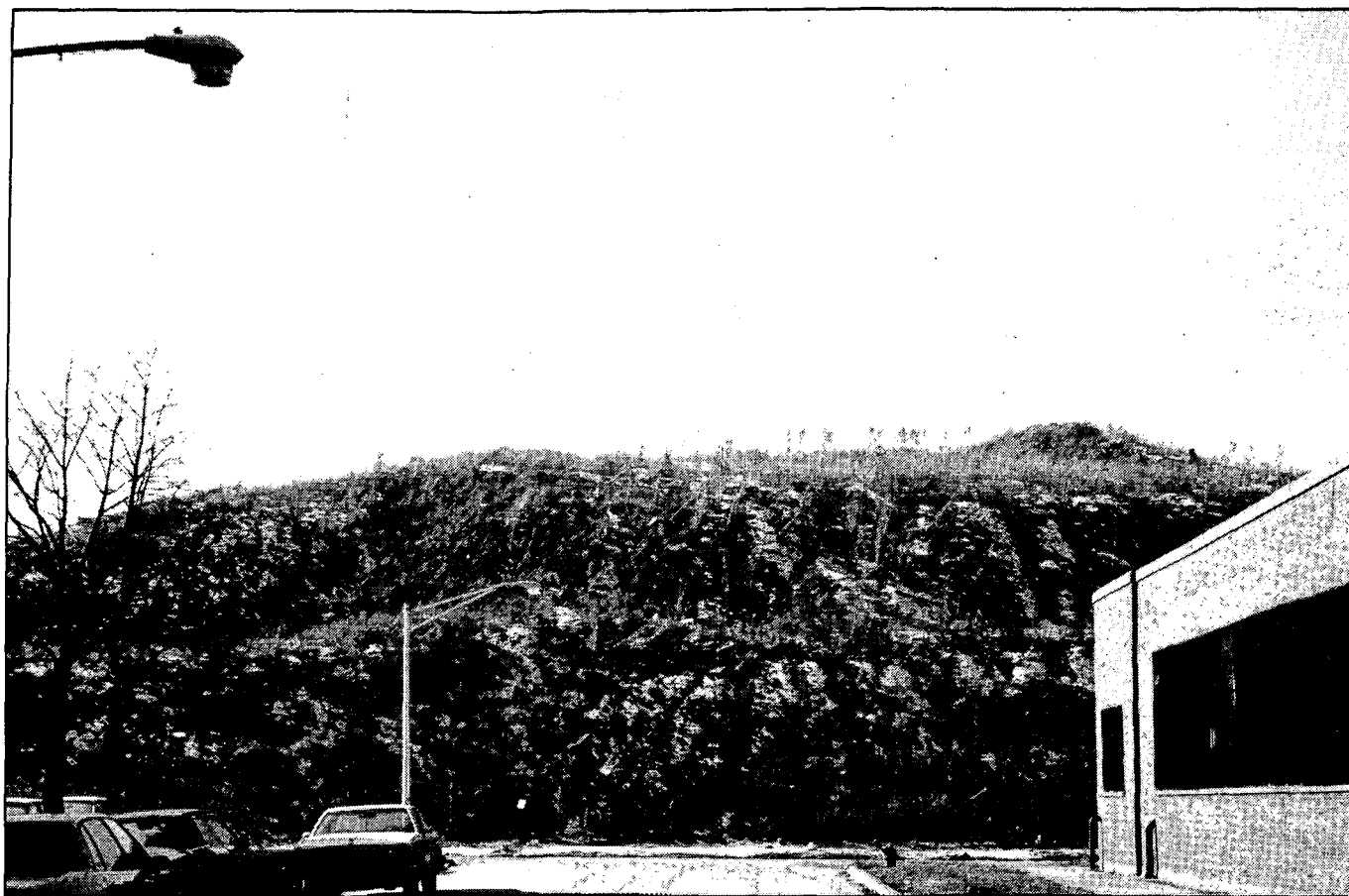
But the city is also noted for Hazel Johnson, the feisty grandmother who since 1982 has mounted a spirited struggle against waste dumps, landfills and other industrial polluters—and has won a few battles along the way. Her grass-roots group, People for Community Recovery, has inspired similar anti-pollution efforts across the country in neighborhoods ravaged by the byproducts of environmental racism.

The concept of environmental racism was pioneered by the Rev. Benjamin C. Chavis, who, as executive director of the Commission for Racial Justice of the United Church of Christ, co-authored with Charles Lee a 1987 study revealing that although the poor of all races are more likely than middle- or upper-income groups to live near hazardous waste sites, "race [is] consistently a more prominent factor in the location of commercial hazardous waste facilities than any other factor examined." The report, titled *Toxic Waste and Race in the United States*, found that three out of five African-Americans and Latinos live in communities with one or more hazardous waste sites.

The study cited a battery of other chilling statistics to support its claims. Childhood cancer rates are several times the national average in Latino farm communities where pesticides are used. Because of the bad quality of air in urban black communities, young black men die of asthma at three times the rate of young white men. African-Americans' high rates of cancer, respiratory disorders, renal malfunctions and heart disease have also been linked to the high concentrations of industrial pollutants disproportionately found in

A Chicago sting operation highlights the persistence of environmental racism.

By Salim Muwakkil



PHOTOS © 1996 KIT BOYCE

A heap of trouble: One of eight illegal dumpsites on Chicago's West Side.

minority communities.

"For black people, this is the worst attack we've had since the Middle Passage, because the chemicals that we're getting exposed to are causing long-term, multi-generational damage," says Connie Tucker, executive director of the Atlanta-based Southern Committee for Economic and Social Justice, a network of groups seeking environmental justice. Tucker's group is one of many that have mushroomed since the United Church of Christ study appeared nine years ago.

But despite greater awareness of environmental racism, the situation has worsened. According to a 1994 update of the Chavis-Lee report, conducted by the United Church of Christ along with the National Association for the Advancement of Colored People and the Washington-based Center for Policy Alternatives, the concentration of people of color living in zip code areas with commercial hazardous waste facilities increased from 25 percent of the local population in 1980 to nearly 31 percent in 1993.

A host of additional studies have reinforced Chavis and Lee's initial conclusions about the primacy of race in placing a community at risk. One 1992 analysis by the *National Law Journal* found that minority communities get less environmental protection from government agencies. The *Law*

Journal's analysis found that the Environmental Protection Agency (EPA) required less comprehensive cleanup of polluted black communities and penalized polluters of black areas less severely than those in white areas.

Robert Bullard, director of Clark Atlanta University's Environmental Justice Resource Center, organized the First National People of Color Environmental Leadership Summit in Washington, D.C., in 1991. The conference, designed to connect the varied organizations concerned with these crucial issues, attracted representatives from more than 300 groups. Bullard also intended for the conference to give public notice that traditional notions of environmentalism no longer were relevant. "Environmentalists are not just white people who are interested in birds and whales," Bullard said at the time. "[African-Americans] are also environmentalists, because we drink the water, we breathe the air and we live on the land."

Though it's comparatively young, the environmental justice movement has been surprisingly effective in attracting mainstream attention. A national lobbying effort convinced President Clinton to sign an executive order in February 1994, directing 17 federal agencies to address environmental racism. The order requires the affected agencies to "make environmental justice a part of all they do." In an attempt to help provide some context for the new initiative, the EPA has established the National Environmental Justice Advisory Council, which includes researchers

familiar with the issue.

The EPA and the Justice Department are currently investigating charges of environmental racism in Louisiana and Mississippi. The decision by the agencies to get involved marks the first time the federal government has encouraged the use of the 1964 Civil Rights Act in community environmental battles.

"The administration sent an important message with Clinton's order," says Chavis, who now is executive director of the National African-American Leadership Summit. "We have to set a long-term goal of a sustainable society that is economically viable and environmentally safe. And it's very important that we ensure environmental equity."

For people like Watkins, whose house abuts the "mountain" on Chicago's West Side, environmental equity is not just a clever slogan or the current cause célèbre. And that sense of urgency can help forge important interracial alliances.

In Homer, La., a small town 65 miles northeast of Shreveport, an interracial coalition called Citizens Against Nuclear Trash (CANT) formed to fight Louisiana Energy Services' (LES) plan to locate a uranium enrichment plant in their town. Although Confederate flags still fly high in this isolated part of the Old South, the threat of the LES plant helped bridge ancient racial divides. CANT is thoroughly integrated; Roy Mardis, a 39-year-old black man, is a member of the group's executive board and its unofficial spokesman. He has traveled across the state soliciting support for the anti-nuclear fight and has been startled by the grass-roots support he's received.

In this and other ways, the environmental justice movement provides the nexus between theory and action that progressives have long sought. Beverly Wright, director of Xavier University's Deep South Center for Environmental Justice in New Orleans, understands that grass-roots activists for the most part are women concerned about their families. "If you get information to a mother that her children may be harmed by toxic chemicals, then you have organization," Wright told *Emerge* magazine.



**Bulldozing the remains of
Operation Silver Shovel.**

In the "Call To Action," which followed the 1991 Washington environmental summit, organizers wrote that "a new international movement of indigenous and grass-roots peoples was born." The authors of the document distinguished the summit's participants from traditional mainstream environmental and social justice organizations, noting that they seek "a global vision based on grass-roots realities" and are evolving from the bottom up. "We have come together around many issues in many lands to unleash the power of our united will in a common struggle for a new environmental movement," the document reads: "A movement to eradicate environmental racism and bring into being true social justice and self-determination."

It's an ambitious agenda, but somebody's got to do it. ◀

Have Your Kids Turned Republican? Want To Get Even?

Consider a bequest to In These Times.

When planning your estate, please include a tax-exempt bequest, trust distribution or other long-term support for the Institute for Public Affairs.

For more information, contact:

James Weinstein, Publisher, In These Times
2040 N. Milwaukee Ave., Chicago, IL 60647
312-772-0100, ext. 223

I N T H E A R T S

Capital crime

D

Dead Man Walking is a study in callow liberal manipulation.

By Linda DeLibero

Dead Man Walking, Tim Robbins' second directorial effort, has—so the cliché goes—"Oscar written all over it." Packed with scenery-chewing performances and plenty of Social Relevance, it's the sort of movie that members of the Awards committee love, and they will doubtless grace it with several nominations. What's surprising is that respectable film critics are taking this confused, overblown piece of melodrama seriously as well. *Dead Man Walking* has so far received nearly universal raves for its "courageous" and "evenhanded" treatment of capital punishment, even though it tells us nothing we don't already know about the issue and presents the material in a way that makes reasoned thinking impossible. After all the tears and noble feelings, what you leave with is pretty much what you had

going in.

Based on a true account by Sister Helen Prejean, C.S.J., the film follows Sister Helen (Susan Sarandon) as she stumbles into the role of religious adviser for a Death Row inmate, Matthew Poncelet (Sean Penn), convicted murderer of a teen-age couple. As Prejean struggles to save Poncelet's soul before his execution, she also becomes involved with the victims' parents, who are calling for retribution. Herein lies the basis for claims of "evenhandedness," since the movie purports to make us feel and understand the grief and anger of the parents, as well as the humanity beneath Poncelet's pose of innocence.

Of course, the job is rigged from the start. Both Robbins and Sarandon are outspoken opponents of capital punishment, as is Prejean. Like all well-intentioned liberals, though, they're convinced that, with a little Love and Understanding for both victims and perpetrators, the truth will reveal itself. Translated into dramatic terms, this means that Robbins can jerk our feelings across the chasms that divide the opponents and champions of state execution so that we'll believe we're really thinking. This isn't truth; it's pure emotion—and cheaply won at that—as if emotion weren't the last thing one needed to bring to this controversy.

Robbins, who directed the heavy-handed political satire *Bob Roberts* in 1992, has yet to develop a subtle touch with either camera or narrative. *Dead Man Walking* is shot mostly in claustrophobic closeups—the oldest ploy in the cinematic book—as if literally getting in the characters' faces is tantamount to getting to know them. Symbolism abounds, with a capital "S." Sister Helen's crucifix sets off a prison alarm. And in another scene, photos of the victims and Poncelet as children are juxtaposed, signs of innocence lost. The effect, of course, drains the murdered couple of any flesh-and-blood reality they might have had.

The victims' parents (particularly the girl's mother and father) don't fare much better. Robbins has claimed that "you never, ever hear their story" in real life, but obviously he hasn't watched enough TV, where the 11 o'clock news and *Dateline*-style exposés nightly run wrenching interviews with countless bereaved relatives and members of victims' rights organizations. And Robbins' treatment of these



Dead Man Walking
Directed by Tim Robbins

PHOTOS BY DEMMIE TODD



words, and the film likewise backs away from the possibility of any serious darkness or ambiguity that might challenge her unflinching faith.

The dark stuff is saved for Poncelet, who finally turns out not to be so dark after all. This is where the film betrays its true intentions, and they're not honest. If you're opposed to capital punishment, you stake your claim on the grounds that the state doesn't have the right to take human life. That judgment isn't supposed to be based on how you feel about any particular Death Row inmate, or the crimes he's committed or whether you think he's a piece of

people in *Dead Man Walking* is pure television, played for the same easy jolt of passionate outrage you get from an episode of *60 Minutes*—and forget by *Murder, She Wrote*. The murdered girl's parents are portrayed as simple working-class folk; they're innocent, too, and humble and naive. Their intractable rage for vengeance is understandable, but we're meant to understand that their origins render them incapable of transcending it. The father of the murdered boy, who's a few steps up the economic ladder, is shown as having the means to at least try.

Sister Helen is naive, too. She's surprised (incredibly, for a seasoned social worker) when, as Poncelet's representative, she's not welcome in the parents' house. (Apparently, she doesn't watch much TV, either.) She's also earnest, unwavering in her faith and impossibly good. The critics have particularly cited this character as "complex," apparently because Sister Helen agonizes over her ability to help people, but we never doubt that she'll remain admirable and plucky to the end.

Sarandon, who only a few years ago played dishy women in their prime, secures here her title as Hollywood's favorite Mother-Goddess. Her face, white and bland as pudding, her range reduced to two expressions—stunned and pained—she's completely stripped of the earthy quality that made her interesting as an actress in the first place. Maybe that's why the (mostly male) critics suddenly love her so much now—ever since *Lorenzo's Oil*, she no longer presents the threat of mature female sexuality. Her Sister Helen is so pure that you long for the brutal touch of a director like Buñuel to shatter her—and the film's—rosy vision of humanity. When the scummy Poncelet makes sexual overtures toward her or spews racist diatribes, she shuts him up with a few wise

garbage. A truly clear-eyed argument against state-ordered execution wouldn't even need to show us the condemned; they're human beings, and that's all you need to know.

But this is Hollywood, after all, so *Dead Man Walking* gives us the drama and covers itself against charges of liberal "softness" by presenting a convict who's really, really bad. Except he's not. The whole show revolves around Sister Helen's struggle to reveal Matthew Poncelet's humanity, and, as played by Sean Penn, he's all too human—weak and silly and full of anger and, like Penn himself, oddly compelling. In the end, we're treated to a scene worthy of an old Cagney movie: Matthew admits his part in the murder, redeems his soul, cries, tells his mother he loves her. He walks to his death accompanied by a heavenly choir on the soundtrack, slow-motion effects and the faces of the victims floating above the fray. Message? You care about this guy—he's made himself worthy—and that's why you're supposed to loathe capital punishment. It's more shamelessly manipulative than anything you'll see in *Death Wish* or that more recent revenge fantasy excoriated by critics, *Eye for an Eye*.

So where's the evenhandedness? Throughout the film, Robbins pummels us with graphic snippets of the murder scene in all its grisly horror. Like a bad made-for-TV movie, or pornography, the snippets lead up to the culminating moment, where we fully see Poncelet's involvement in the rape of the girl and murder of the boy. This scene (along with the slow motion and singing) is intercut with Poncelet's death. I can only guess that Robbins' point was to remind us of the murderer's culpability even as we're weeping over his demise. This is what critics are hailing as complex, and what guarantees that the picture won't make any difference at all in the debate over capital punishment. ◀

I N P R I N T

The revolting elites

By Tom Frank

It all started in 1990 with an embarrassingly lame comic strip, plucked from the Brown University student newspaper for display on the editorial page of the *Wall Street Journal*, then *Newsweek* and then, no doubt, some media outlet near you. "Politically correct" had made its way from the casual banter of the collegiate left (where it served as a derisive term for those pseudo-progressives who equated politics with manners and activism with brand loyalty) to the most exalted reaches of right-wing thought (where it is used to describe ... any liberal). After his brief flirtation with establishment renown, the producer of the tepid cartoon vanished back into the media wilderness.

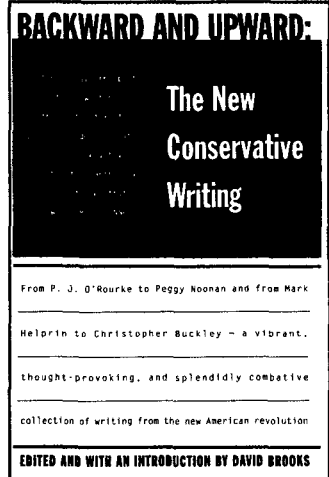
As for the rest of us, we will never hear the end of it. "Politically Correct" gained an instant lock-hold on the slow-moving, idea-starved imagination of the right, and to this day it remains the all-purpose column theme and editorial buzzword for small-town journalists, an instant denunciation as easy and as universally applicable as "fellow traveler" had once been. But PC offered the right more than the attractions of a handy slur: It also signaled a tantalizing opportunity to recapture the all-powerful symbols and slogans of populism. It instantly summons our outrage at the intolerance of evil puritans, our hatred for the sneering elitism of the educated and our sympathy for rebellion against an arrogant establishment. PC allowed the right to perform the impossible with a breathtaking deftness: the badge of persecution is now the property of the powerful. The rich are the rebels; the successful are the downtrodden; the rule-makers are the rule-breakers.

The myth of PC shows no signs of losing its power, even as it becomes so obviously irrelevant to the real conflicts that are tormenting American society. On the contrary, the essays collected in *Backward and Upward* make a concerted effort to expand the beachhead, to transform the sham battle against PC into a more general populist style. The book performs this operation with admirable slickness, each author striving to top his colleagues with tales of his or her own persecution at the hand of PC. *Weekly Standard* Senior Editor

David Brooks manages to keep it free of overt fundamentalist talk and the tainted jargon of the far right. But the book also bears strikingly little resemblance to the conservative tradition it claims to celebrate: Even though it's packaged as a "new" touchstone of American conservatism—a sort of *I'll Take My Stand* for the ruling class—the book's most surprising feature is its writers' almost total *lack* of conservatism.

If conservatism can be understood as something larger than an apologia for the ruling class of the moment, it would be the generalized respect for pastness, the dread of change. But while these new Republican firebrands may know how to pronounce the words "Edmund Burke," the deity they worship is not the Way of the Past but the Way of the Market. And in this frenetic age when Republican leader Newt Gingrich welcomes the arrival of a "Third Wave," in which the cycles of historical change accelerate ever more deliriously, it turns out that the Market has very little use for the Way or even the conservatism of the Past. The "conservative thought" presented here is, in fact, garden-variety libertarianism, distinctive chiefly for the sophomoric panache of its practitioners and their belief that the Market is the very incarnation of human freedom.

A contribution to the volume by *Wall Street Journal* Editor Robert L. Bartley is particularly alarming in this respect. Pleading fervently that we must stop "trying to fight the marketplace" and instead "listen to what it is telling us," he counsels that we abandon all ties to the world of the past and throw ourselves headlong into the whirling currents of Market whim. Thanks to the glorious "new Industrial Revolution" of global capital and instant communication, he declares, "the world is changing so rapidly that old certainties are breaking down and no one seems in control." A strange situation for a "conservative" to welcome, but two pages later he tops that. Patriotism itself—one of the trademark sentiments of old-line conservatism—hits the bricks as Bartley looks forward to the time when nations "evolve toward something like state governments today," each trying to one-up the other with lower taxes and more docile workers. One page after that, in a spasm of globalism that would have made the John Birch Society see red, Bartley envisions a world in which "the real economic competition will not be between nations but between companies." The ways of the past mean nothing, the ties of nationality mean nothing—this is not a collection of



**Backward and Upward:
The New Conservative
Writing**
Edited by David Brooks
Vintage Books
330 pp., \$13

"conservative" writing but an ideological handbook for the international corporate vassal, now freed by the grace of the Market from the bondage of place and time.

Let's see: jet-setting yuppies loyal to no government; nation-states superseded by corporations. *Backward and Upward* could be read as supporting evidence for Christopher Lasch's theory of the "revolt of the elites" were altering the definition of "elite" not such a central theme of the book. Like the basic plaint against the tyrannies of PC, the identification and denunciation of "elites" and "elitists" appears again and again here, sometimes as polemic, sometimes as satire, sometimes as a sort of threat.

Always, though, the target is the "liberal elites," a snobbish Ivy League clique that sneers at the tastes and preferences of the public while arrogantly plotting to control other people's lives. Attentive readers will recognize this species of populism from the early 1950s: It's standard-issue anti-intellectualism, a mistrust of the well-educated that has been more or less common ever since their policy advice began to be taken seriously in Washington during the New Deal.

Washington, D.C., attorney Jeffrey R. Snyder provides the most succinct account of the intellectuals' crime (in an article on the merits of private gun ownership, of all things), railing against "the liberal elite" who "know that they are philosopher-kings ... that the people simply cannot be trusted; that they are incapable of just and fair self-government; that left to their own devices, their society will be racist, sexist, homophobic, and inequitable—and the liberal elite know how to fix things." And Rush Limbaugh offers both the fiercest and most comprehensive denunciation of "elites" in an essay decrying the liberal domination of the media. Limbaugh declares that "liberals fear me" because "I represent middle America's growing rejection of the elites." In case anyone was wondering just who was to be on the receiving end of this revolution, Limbaugh enumerates the varieties of "professionals" and "experts" whom "Americans are rejecting": In addition to liberals and "the media elites," his "list" includes "the medical elites, the sociology elites, the education elites, the legal elites, the science elites ... and the ideas this bunch promotes through the media."

Limbaugh's "list" is a classic of populist bluster ... except for one thing. It omits from its inventory of folk devils the group that has always been the most powerful as well as the most obvious coterie—business elites. In the days when pop-

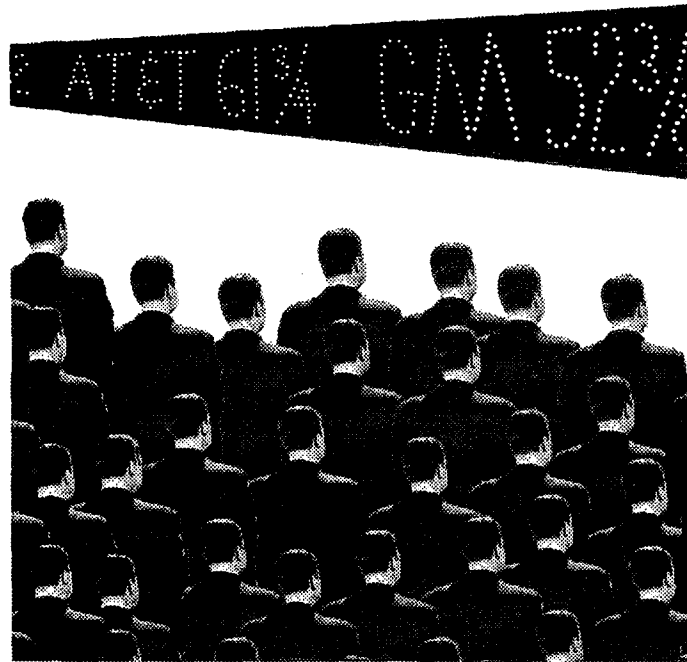
ulism was spelled with a capital "P," there were always four groups of elites identified as standing against the interests of the laborer: lawyers, preachers, politicians (usually referred to as "officeholders") and, most importantly, capitalists. You know ... the Money Power. The Trusts. The Monopolies. The Octopus. The Malefactors of Great Wealth. What's become of that group? Are businessmen now exempt from the public's outrage at the machinations of the high-handed? According to the writers in *Backward and Upward*, they are.

For businessmen, it seems, do not claim to "know how to fix things," do not send their children to private schools in Georgetown or insist on PC decorum in the workplace. They are incapable of committing elitism by definition. This double standard is more revealing than it seems at first glance. In fact, it provides the key to the whole affair, the curious twist that differentiates this volume from the simple braying broadsides that Joe McCarthy and Co. were accustomed to launching against the treasonous Adlai Stevenson and Dean Acheson back in the anti-intellectual heyday.

Today the elites' offense is not that they are effete, rich or inclined to accommodate the Reds, but that they resist nature, that they want to steer society away from its normal course, that they "try ... to fight the marketplace."

It is the belief that society can be organized in any other way—even if people vote for that other way in great numbers—that constitutes the original elitist sin, not, say, belonging to an exclusive country club or watching football games from a skybox or firing half your workforce. What the Market does—no matter how whimsical, irrational or harmful—is natural, normal and the Will of the People. Any scheme to operate outside of its auspices or control its ravages is by definition a dangerous artifice, the treason of intellect. Don't think about how to fix things, these rightists counsel. Surrender your arrogant egotism and humbly heed what the Market whispers. The distinguishing feature of the New Right, then, is the shift from simple anti-intellectualism to a more subtle anti-rationalism, a new doctrine that is at once deeply resonant and yet so superstitious and indefensible that it involves them in all manner of curious errors.

A short essay by Fred Barnes—the executive editor of the *Weekly Standard*—offers a useful illustration of both this strange new idea's prevalence and its limitations. The essay itself is a characteristically snide little screed about why Barnes likes to drive a car, about how offensive he knows it



must be to the elitist PC, who no doubt want to force people to stop driving (the standard persecution fantasy is introduced by the fourth sentence), but about how Barnes likes to do it anyway—and so does everyone else, for that matter—and so there! In the hermetic isolation of his car, Barnes hears echoes of the vox populi. Driving is a matter of individual “freedom, convenience, and flexibility.” Mass transit, though, is an elitists’ dream: They know where it’s best for you to go, and some ‘expert’ somewhere is directing the traffic. And besides, mass transit always takes you downtown, and “the vast majority of jobs are not downtown anymore.”

What’s remarkable about the Barnes essay is not his plodding defense of driving, a sentiment you could see portrayed better in any Pontiac commercial, but his assumption that the rise of the auto and the decline of the city are ideologically invisible events: since they’re deeds of the Market, they’re deeds of the People, and Barnes writes of them as though they’re something we chose by plebiscite one day. Mass transit, he insists, “is great for getting people downtown, but fewer *want* to go there.” (My emphasis.) As a matter of fact, a great deal of people probably still “want” to go there, like we still “want” to have viable cities and still “want” to have jobs. But while Barnes et al. encourage us to confront some evil elites at the ballot box, others will go about wrecking our cities and our lives with impunity.

In the remarkable case of Fred Barnes, in fact, we see the whole libertarian enterprise laid bare as almost willful ignorance. Barnes seems utterly unaware, for example, that few subjects are more poorly suited to a defense of the libertarian ideal than city planning. Could he really not know that the interstate system was a product not of the Free Market at work but of deliberate, Detroit-inspired policies? Does he truly believe traffic jams to be a desirable thing, an expression of the People’s Will? Even more mysterious to people who come across Barnes’ drivels in the pages of *The New Republic* or his smug pronouncements on TV’s *McLaughlin Group* is how his libertarian pals tolerate such an affront to their treasured notions of meritocracy. The only thing that allows a second-rater like Fred Barnes to be the editor of a national magazine is the fact that the Marketplace of Ideas isn’t really a free market at all: This intellectual Edsel will never have to answer for his errors or compete with the models that would quickly drive him out of business.

But the “new” conservative revolution isn’t about thinking, anyway—it’s essentially a lifestyle thing. Since the Market is both nature and democracy, these writers reason, those who indulge themselves as the Market allows are the real rebels (much as Rousseau might have been in his vision of the natural order), the defiers of convention, havers of fun and Friends of the People to boot.

So when they’re not railing against the elitism of the Politically Correct, the volume’s contributors are puffing up the other side of the populist equation: the joys of doing what these stuffy prudes have told you not to do. Having slipped the surly bonds of Tradition, and with the plodding

commandments of their psycho-Christian fellow travelers nowhere in sight (neither “family values” nor “Christian morality” get much play in *Backward and Upward*), the new libertarians have come to a startling realization: they like pleasure! And they’re going to tell you about how much they like it, from the book’s frontispiece (a quote from Walter Bagehot urging conservatives to “try a little pleasure”) to its bizarre identification of jolly Rush Limbaugh as “our very own Falstaff.” Capturing the banner of hedonism, if they are able to pull it off, may well turn out to be the most appealing element of the volume’s populist strategy. And the essayists included here make a game effort, writing at length about the joy of eating beef or watching violence on TV, experiences at parties, and exactly how much and in what way people like baseball.

Unfortunately, the hedonism never comes off as well as it should: The rightists are far too eager to let you know how much they enjoy things, far too clumsy with the four-letter words they have tossed conspicuously here and there, and the alternative rock music they are so proud of liking is far too lame to garner them any real punk rock street cred.

More interesting, though, is the attempt *Backward and Upward* makes to reverse the political polarity of pleasure, to capture what was undoubtedly the most appealing aspect of the counterculture for the libertarian right. Accepting the by-now standard cultural studies argument that pleasure is way subversive, these writers simply invert the familiar 1960s cast of characters: Through the magic lens of the PC myth, hippies have traded places with the Man. It is the longhairs who are now the killjoys, the order-obsessed martinets who demand that we all march rigidly in line, while it is now the conservatives who are the bad boys, the rebels, the beer-drinking and drug-taking Doers of Their Own Thing. In a sadly muddled essay about sex and love, for example, think-tanker Kay S. Hymowitz insists that it is now “liberals” who, in their “push to rationalize and deintensify sexual desire,” lay “down an updated Puritan law.” Thus these writers depict virtually anything they like to do—eating, drinking, smoking, and, of course, “the greatest pleasure that I [professor Roger Scruton] know: the pleasure of hunting to hounds”—as a glorious affront to the puritanical PC legions. There’s even a P.J. O’Rourke reference to the movie *Animal House* as a foundational document of the New Right, the moment when the country’s future rulers realized that (the frat of) rape and riot kicked (the frat of) conformity’s ass.

These authors’ blunt anti-intellectualism may serve them well in the political arena, but it’s hardly an appropriate tool with which to confront the complex issue of broad cultural change. Discussing the origin of social mores, the ways in which etiquette is propagated and the enforcement of public manners is a delicate and complex business, not well-suited to blundering reductionisms like those found here. Seeking to understand everything in terms of a fantasy battle between the Market and the PC elite, the populist Right will

Continued on page 39

The hidden costs of hate

By Rochelle Gurstein

This thought-provoking anthology marks the beginning of what promises to be a fruitful alliance between feminists against pornography and legal scholars against racist speech who call themselves "First Amendment Realists." They are united by their conviction that pornography and racist epithets are varieties of "hate speech" or "harmful speech," and they want to demonstrate its tangible harm and formulate ways of regulating it.

The Price We Pay grew out of a conference on "Speech, Equality and Harm" held at the University of Chicago Law School in 1993. The first part of the book—especially the alarming accounts provided by people who were actual targets of cross-burning, racist slurs, pornography and sexual harassment—makes for extremely disturbing reading. In their introduction to this section, editors Laura Lederer and Richard Delgado point out that the victims of these seemingly different forms of aggression respond in precisely the same way: They experience "fear, humiliation, degradation, illness, terror, anger and rage." From these individual reactions, Lederer and Delgado proceed to the larger claim that harmful speech "demeans, debases and debilitates."

For the new legal realists, it is apparently only a small conceptual leap from humiliation to dehumanization to subordination to inequality—especially since those who must bear the brunt of hate speech are those who are already the most vulnerable in society. The contributors here insist that libertarians who have made the First Amendment the *only* issue have been blinded by their longstanding dedication to free speech at any cost; they have failed to recognize that "the price we pay" for hate speech is social inequality. The constitutional issue at stake, then, is not the First Amendment but the 14th, which extends equal protection and due process under the law to all citizens. This, indeed, is a provocative claim, and certainly deserves more serious attention than it usually receives: Liberals and leftists predictably sneer at the feminist argument against pornography

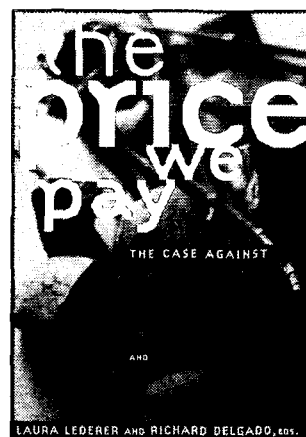
as the new Victorianism or trivialize the legal argument against vile racist slurs as a therapeutic ploy to enhance the self-esteem of oppressed groups.

In article after article, legal writers try to draw even broader social and political conclusions. Catharine MacKinnon speaks for many of the new legal realists when she describes the harms of hate speech as "stereotyping, objectification, deprivation of human dignity, targeting for violence, and terrorization of target groups." And these harms, she concludes, are nothing less than "harms of social inequality." Cass Sunstein and other contributors agree; they argue that racist epithets and pornography create and maintain a "caste system" in the United States. Hate speech is the means by which the powerful majority "silence," subordinate and dominate minorities and women.

Some of the contributors have tried to capture the distinctive character of the aggressive nature of hate speech by comparing it to obscene phone calls or death threats, which more vividly convey the victims' anguish than does the more abstract notion of social inequality. And in this specific kind of anguish there are echoes of an earlier legal concept—"the right to privacy" formulated by Louis Brandeis and Samuel Warren in the *Harvard Law Review* in 1890.

In their pathbreaking essay, Brandeis and Warren argued that new invasive journalism made it necessary for the courts to recognize the right of privacy so as to protect the "spiritual interest" of "inviolable personality." The subjects of unwanted publicity complained of "humiliation," "mortification," "great distress," "severe nervous shock" and "suffering in both body and mind." And these harms—like those suffered by targets of hate speech today—were also often made light of by judges and critics who characterized such people as "oversensitive," and insisted that freedom of the press weighed more in the legal scales than mental anguish.

Some thoughtful skeptics of this position, such as E.L. Godkin, flatly rejected the idea that any law could adequately compensate the aggrieved party: "The idea that this class of injury is most appropriately punished by personal violence has in fact survived down to our own day. ... There is a certain peculiar fitness in protecting reputation or privacy against libel or intrusion by the cudgel or the horse-whip." Of course, by 1890, dueling was reviled as barbaric and banned by law. But the idea that direct phys-



The Price We Pay:
The Case against Racist
Speech, Hate Propaganda,
and Pornography
 Edited by Laura Lederer
 and Richard Delgado
 Hill & Wang
 380 pp., \$30

ical retaliation was the only way to rectify the violation of "involute personality" still rings true today, and Godkin's remarks capture the searing, personal nature of the injury of hate speech. Once understood as a form of assault, hate speech becomes harder to conceive of by the rather bloodless terms of "social inequality."

This is not to say that racist insults and pornography are not reflections of, and contributions to, a society that often treats women and blacks as second-class citizens. The turn to the 14th Amendment is a serious and admirable effort to regulate reprehensible speech and acts. Yet since Congress intended the 14th Amendment to dismantle legal obstructions to racial equality, pressing it into the service of combating hate speech would be a drastic diminution of its scope and power. In this respect, it unfortunately resembles its opponent in the hate-speech wars, the First Amendment, which, the more it has strayed from its crucial task of protecting political dissent, has become increasingly trivial and meaningless. Not all the contributors believe that hate speech should be treated as a constitutional issue; some argue that plaintiffs in hate-speech cases should pursue tort-based remedies, such as intentional infliction of emotional distress or group defamation, which are best suited to the personal nature of the harm. But as legal realists, they also know that such remedies are partial at best, even in the rare cases in which they actually succeed.

One of the strongest arguments along these lines is Marianne Wesson's "Girls Should Bring Lawsuits Everywhere," in which she presses the feminist argument against pornography to its logical end: Victims of pornography-related violence should bring product liability and negligence suits against its producers.

No matter what one thinks of the turn to the 14th Amendment, clearly something will have to supplant the exhausted terms of debate over the suppression of hate speech. The writers make an unanswerable case that First Amendment absolutism is pathetically inadequate for dealing with hate speech. And in the articles that challenge positions typically put forward by libertarians—in particular, the pieces by co-editor Richard Delgado—the new legal realists clearly have the upper hand. Perhaps their strongest suit is their simple reliance on facts. They remind us that a large number of exceptions to the First Amendment already exist, including threats, criminal conspiracy, defamation, libel, copyright and trademark infringement, plagiarism, misleading advertising, disrespectful words uttered to a judge or military officer, and disclosure of official secrets. They also point out that other democracies—Canada, England, Germany and Sweden—have laws against hate speech and have not yet slid down the dreaded slippery slope of state censorship.

A number of contributors meet head-on the much-vaunt-

ed slogan that the best way to combat hate speech is "more speech." They rightly observe that the libertarians' imagined debate in which both sides present rational arguments and let people make up their own minds is a travesty of the actual circumstances surrounding hate speech. How, they demand, does one "talk back" to racist insults, a burning cross or pornographic movies? To talk back to a mob of bigots would no doubt put the person whom the mob targets, usually a lone individual, in dire physical danger. And in the cases of burning crosses and pornographic images, where can victims find the party to address? " 'More speech' is not a viable response," Delgado and Lederer conclude. "The speech it would purportedly counter too often silences its victims and deepens inequality, thus paradoxically diminishing, rather than contributing to, the vigorous debate and dialogue all civil libertarians desire."

Beside setting out the harms of hate speech and its legal remedies, the contributors have a larger, theoretical claim to press: that the shift to the 14th Amendment represents "a new paradigm." But for those of us outside of the legal discourse, the articles in this anthology fit squarely within the same old legal paradigm of harms, victims, rights and interests. Delgado and Lederer's formulation of their project—"how to reconcile the tensions between freedom of speech and equality; how to weigh individual liberty against a larger sense of community"—hardly represents a revolution in legal thinking. Nevertheless, they have done us a great service in exposing the dessicated core of free-speech absolutism. But a truly new paradigm would need to address concerns about the character and quality of our public sphere that cannot be fit into the narrow framework of the law.

"The price we pay" for allowing pornography and racist insults—not to mention images of corpses in the news, invasive and sensational journalism, confessional talk shows, and violent and sex-driven commercial entertainment—is a common world that is ugly, indecent and uncivil. And this is a consequence of living in a society that takes pride in having freed itself from the outmoded notions of shame that used to prescribe limits not only to speech but to imagination, artistic representation and action. This concern is, of course, quite different from the social inequality identified by the new legal realists. Indeed, they would likely dismiss it as "moralistic," as would their libertarian opponents. Yet the inability of many progressive people to recognize that some things are simply beyond the pale of civility and decency—pornography and racist epithets among others—is a threat to our flagging republic. Without being able to advance—and defend—such distinctions, liberals and leftists leave Americans with no common life or debate worthy of their names, and hence no hope for a renewed democratic politics.

Rochelle Gurstein is the author of the forthcoming *The Repeal of Reticence* (Farrar, Straus & Giroux) and teaches history at the Bard Graduate Center in New York City.



You get what you pay for

By David Kairys

Anyone who questions the privileges of wealth is regularly passed off these days as hopelessly liberal, out of touch with the ways of the universe and a provocateur, fomenting "class antagonism." But polls just as regularly show that Americans believe money dominates politics and would like to see that changed. No matter how much mainstream politicians and media deny that money is the pivotal force in American politics, the public understands it.

For more than a decade, Thomas Ferguson, a political science professor at the University of Massachusetts, Boston, has written articles and books documenting and condemning the role of money in elections. *Golden Rule* collects his best essays, which together provide an articulate, compelling case that money dominates to an extent—and with drastic effects on public policy—that should shock even the most cynical among us.

Ferguson's analysis, examples and data are packed tightly—a bit too tightly, I believe—into what he calls the "investment theory of party competition." Whether or not this theory explains all the twists and turns of American politics and history, as Ferguson claims, it at least provides an important framework for understanding the role of money in electoral politics. And this sort of model is necessary to move beyond the general notion that money rules, and to think creatively about what is to be done.

The basic thrust of Ferguson's theory is straightforward: Investment in parties and candidates is the source of power in our society. If you are willing—and, of course, able—to make enormous political investments, you get officeholders and public policies of your choosing. But those who aren't so positioned or privileged get officeholders and policies that further the interests of others and contradict their interests—they get, for example, laid off.

The levels of investment required are beyond even the wealth of most individual corporate leaders. They form, and have formed throughout our history, "investor blocs" that compete to control political parties and the government. At his best, and most startling, Ferguson lays out this process in stark terms: "[T]he fundamental market for political parties usually is not voters. ... The real market for political parties is defined by major investors, who generally have good and clear reasons for investing to control the state."

Ferguson sees each era, each election, even each policy

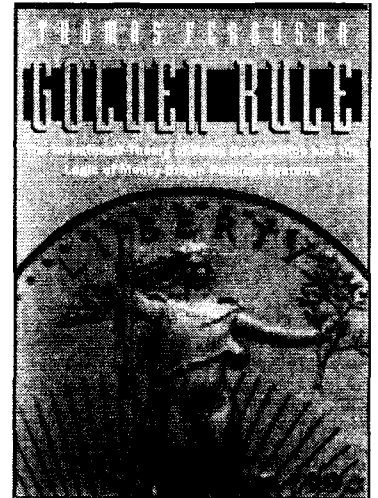
debate, in terms of competition between corporate-based investor blocs. For example, during the New Deal, a bloc of investment banks, international commercial banks and high-technology, non-labor-intensive manufacturing interests controlled the Democratic Party, successfully competing against the traditional, labor-intensive manufacturing interests that dominated the Republican Party. This critical alignment of moneyed constituencies, and not the social democratic vision articulated by FDR, proved the decisive force behind the embrace of the welfare state in the 1930s.

Other studies have stressed the significance of divisions among the corporate elite, notably *In These Times* editor James Weinstein's *The Corporate Ideal in the Liberal State, 1900-1918* (1968), which highlighted some of the same divisions as a way to understand the ideology and limits of the New Deal. But Ferguson's theory goes much further. Voters, movements and the people aren't irrelevant in his accounts, but their role and their potential for power are functions of their investment. Ordinary people are powerless because they can't invest sufficiently to gain even rudimentary information or understanding, much less the support of a major party. Ferguson recognizes corporate investors as actors, but they're one-dimensional—they rationally figure out their precise, narrow money interests, form blocs, and invest in parties and candidates who support those interests.

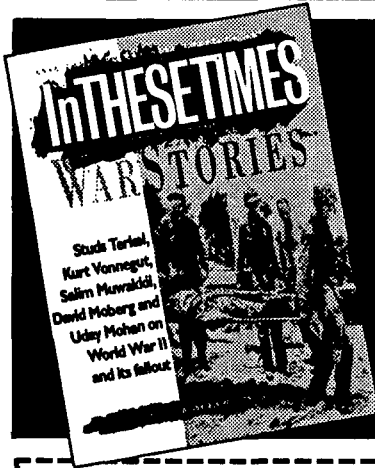
Ferguson also sees political solutions exclusively in the realm of investment. He encourages active association and organization to further the interests of the vast majority, but the only concrete reform he proposes is a government subsidy of parties and candidates—to provide them money for political investment.

But despite the fact that they don't bankroll elections, ordinary people know that money dominates the electoral system. They also know that the electoral system is not the only source or vehicle of power. Nor are capitalists one-dimensional. As G. William Domhoff points out in *The Power Elite and the State* (1990), some of the most greedy have other concerns, based on matters such as religion and regional interests.

Capitalists also often think long-term and see beyond narrow self-interest and entrepreneurial rivalry. They tend to notice, for example, that disputes with



Golden Rule: The Investment Theory of Party Competition and the Logic of Money-Driven Political Systems
By Thomas Ferguson
University of Chicago Press
432 pp., \$17.95



Subscribe to ITT!

NEW SUBSCRIPTION.

You'll receive your first issue in 4-6 weeks.
Please check price and terms below. AST1

RENEW NOW.

We'll extend your current subscription for as long as you like. This saves you worries about expiring and helps us save money and the environment by not sending renewal notices and bills. ART1

NAME _____

ADDRESS _____

CITY/STATE/ZIP _____

MOVING:

Fill out old address above, and new address below.
Allow 4-6 weeks for change.

NEW ADDRESS _____

CITY/STATE/ZIP _____

WHAT A GREAT GIFT IDEA!

(Just try and find a gift with more thought behind it. Fill out your name above and the lucky person's name here.) XSTH1

NAME OF RECIPIENT _____

ADDRESS _____

CITY/STATE/ZIP _____

PRICES & TERMS

- ☐ One year, 26 issues of In These Times: \$35.95
☐ Six months, 13 issues: \$19.95 ☐ Institutional, one year: \$59.00
☐ Payment enclosed ☐ Bill me Charge my ☐ Visa ☐ MC

ACCOUNT NUMBER / EXPIRATION DATE _____

SIGNATURE _____

Canadian orders, add: \$27.50 (one year), \$13.50 (six months) postage.
All other foreign orders add: \$41.00 (one year), \$20.50 (six months).

Mail to: IN THESE TIMES Customer Service,
308 Hitt St., Mt. Morris, IL 61054
Or call: 1-800-827-0270

rival investor blocs can be trivial compared to their differences with movements that truly represent working and unemployed people.

Ferguson addresses some of these exceptions to his theory in an appendix that is, for purposes of evaluating the claimed universality of his argument, the most important part of the book. His responses alternately pull back from the exclusive focus on investment or define investment so broadly that it includes any activity one might engage in to further non-investor-bloc views and interests. This might seem to add sophistication to Ferguson's investment model, but it also deprives the theory of much of its bite and importance. If investment is all that matters, but everything is investment, the theory becomes a tautology, offering neither greater understanding nor a useful framework.

The appendix also features an explanatory hypothetical that is oversimplified and misleading. Ferguson describes an imaginary town in which 97 percent of the people work in a textile mill owned by the remaining 3 percent—who also have all of the available funds for political investment. He says no party will take up the people's preferences, because the majority has nothing to invest, and there the hypothetical ends.

Of course, working people have some funds; anyway, a third party—or a movement to change the electoral system—could emerge with little or no funding. Their struggle would be easier if they had more resources, but what they most lack is the understanding, will and courage to act collectively. In the current period, this seems to have less to do with investment than with the lack of a viable alternative vision of a better society and the lack of hope that government or collective action of any form can have a positive effect.

None of this detracts from *Golden Rule's* valuable contributions. The book candidly discusses the little-analyzed plutocratic structure of American politics, unapologetically exposes the electoral system, and, though it is sometimes a dense read, popularizes a deeper understanding of power, privilege and class. The investment theory lends focus and sophistication to the general notion that when popular politics doesn't intervene, money talks and the rich have a field day. It helps explain why parties and officeholders so regularly ignore the interests and opinions of the majority—and why elections so often seem to be about nothing important although crucial issues divide the public. If there is no major divide between the investor blocs, the parties and candidates will squabble or look to minor issues opportunistically.

But investment is all there is only when the people are dormant; and the corporate elite is not about to voluntarily provide material subsidies that will revive or invent progressive movements. Organized coalitions and mass movements will have to effectively demand campaign subsidies, structural reforms of the electoral system—such as proportional representation, about which *Golden Rule* is surprisingly silent—and economic change. You can call that investment, but it will have to be done more or less the old-fashioned way. ◀

David Kalrys is a law professor at Temple University. His latest book is *With Liberty and Justice for Some* (New Press).

C L A S S I F I E D S

▷ HELP WANTED

IN THESE TIMES seeks cultural editor. Applicant should have thorough knowledge of American politics, history and culture, as well as extensive editorial and writing experience. Ability to edit and rewrite copy on a tight deadline schedule a must. Salary \$18,000-\$20,000, DOE, plus health benefits and 4 weeks paid vacation. Work in a friendly, casual office with its heart in the right place. Send résumé and cover letter to Chris Lehmann, ITT, 2040 N. Milwaukee Ave., Chicago, IL 60647.

DEVELOPMENT EXPERT WHO LOVES IN THESE TIMES needed to work part-time on major donor and foundation fundraising. Applicants should have at least two years of experience developing major and institutional donors and working with nonprofit boards. Strong verbal skills and a familiarity with left politics are also essential. 15-20 hours/week, depending on experience, \$10-

12,000/year (DOE) plus health benefits. Send résumé and cover letter to Beth Schulman, ITT, 2040 N. Milwaukee Ave., Chicago, IL 60647.

SERVICE EMPLOYEES International Union seeks an assistant research director to manage research activity in support of collective bargaining, organizing and policy issues in the state and local government sectors. Requirements: must have demonstrated competence in budget analysis and fiscal policy issues. Should have experience in research techniques and collective bargaining with strong management, teaching, writing, computer and analytical skills. Position located

in Wash., DC. Forward résumé, references and writing sample to: SEIU HR Dept-RAD, 1313 L St. NW, Wash., DC 20005. People of color and women strongly encouraged to apply.

COMMUNITY JOBS: The Employment Newspaper for the Non-Profit Sector. Join over 50,000 job-seekers in reading a unique monthly publication containing more than 200 new job listings (in Environment, Arts, International, Health, Youth, Civil Rights, Housing, Human Services, etc.). Featuring informative articles, book reviews, resource lists, profiles of nonprofit organizations and the peo-

ple who found them. Contact: Community Jobs, 30 Irving Place Fl. 9, New York, NY 10003-2303.

LABOR UNION POSITION. COMMUNICATIONS DIRECTOR, Oregon Public Employees Union, SEIU Local 503, seeks Communications Director. Responsible for media/internal communications. Ability in communication/journalism/writing/PR; photo, graphic design, desktop publishing and training, \$27,444 - \$46,535 annually. EOE. Send résumé by 2/16/96 to: Alice Dale, Executive Director, OPEU, PO Box 12159, Salem, OR 97309, (503) 581-1505.

CAMPAIGN FINANCE REFORM Organizer and Trainer. Experienced coalition organizer and trainer or journalist sought for campaign finance reform work in several Southern states. Based in Chapel Hill. Minorities and women encouraged to apply. For job description contact or send résumé to DRP, 604 Hatch Rd., Chapel Hill, NC 27516; fax 919-968-9184; e-mail: pmacdowell@igc.spc.org.

NUKES IN SPACE
The Nuclearization & Weaponization of the Heavens
Karl Grossman's
Video Documentary
1-800-ECO-TV46
\$19.95 + \$2.00 s-h check/mo Free Catalogue

Socialist

A democratic socialist view of life and politics from the Socialist Party USA.

\$9.00 per year (6 issues). \$16 W. 25th St.
#404, NY, NY 10001 (212) 691-0776

DEFAUDING AMERICA

Explosive 650 pgs. Encyclopedia of CIA & other gov't corruption. Author: former federal investigator, aided by CIA spooks. Excellent book reviews. A classic. \$28.

UNFRIENDLY SKIES

History of air disasters & corruption. Written by former federal investigator. Another classic. Excellent reviews. 605 pages. \$28.

DISAVOW

Inside a CIA proprietary in Hawaii, mechanics of operations, coverups, funding. \$25.50.
All by Rodney Stich. 800-247-7389; or POB 5, Alamo, CA 94507

WISH CURRENTS

February, 1996 issue

"Peres Persists, Moves Peace Process Ahead," editorial;
"Free at last," M'Balia Bali Lambie; "Heine as a Jewish poet," Aaron Kramer; "Henry Roth remembers," Joel Shatzky; "Paul Robeson on the Internet."

Single issue: \$3 (USA).

Subscription: \$30 yearly (USA).

JEWISH CURRENTS
Dept. T, Suite 601,
22 E. 17 St., New York, NY 10003

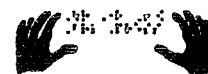
Thomas Paine VIDEOCASSETTE

This educational, "very informative," and "fascinating" 40-minute video, written and hosted by Thomas Paine Scholar Carl Shapiro, was telecast via cable TV throughout northern New Jersey in the spring of 1992. In this original, unedited video, the essential meaning of Paine's extraordinary career as revolutionary writer and foremost exponent of democratic principles is recounted in a presentation "sure in its content" and clear in its delivery. A discussion of little-known but significant incidents in Paine's life adds immeasurably to this memorable video.

VHS cassette, \$25.00 ppd. (USA)

INDEPENDENT PUBLICATIONS, P.O. BOX 102, RIDGEFIELD, NJ 07657

Our Right To Know Braille Press, Inc.



For blind and print-handicapped persons, FII-FREEDOM IDEAS INTERNATIONAL, a quarterly review of minority and independent publications, includes selected articles from IN THESE TIMES. Produced by Our Right to Know Braille Press, Inc., on 4-track 15/16 ips cassette tape.

A 4-issue subscription costs \$5.

Our Right to Know
Braille Press, Inc.
640 Bayside, Detroit, MI 48217
(313) 842-1804

EDITOR, progressive economics magazine near Boston. Editing, writing, administrative responsibilities. Professional experience required. Full-time or part-time. Salary \$25,000 full-time, full health benefits. Send résumé, writing samples ASAP to Editor Search, *Dollars and Sense*, 1 Summer St., Somerville, MA 02143.

► PUBLICATIONS

SHORT APPREHENSIVE WORLD HISTORY. Cynical, humorous. Paper, \$10, Cloth, \$15, postpaid. Brainerd, 1206 Parkview, Lansing, MI 48912.

Just Good Food

The newsletter for people who love food, but have a life.

To subscribe for a year (12 issues) send a check for \$24* to:
 Just Good Food
 1955 W. Cornelia
 Chicago, IL 60637-1021

✉

*Guarantee: If you're not satisfied, unused issues will be promptly refunded.

DO YOU HAVE spanking fantasies? We do—hundreds—and ours are for sale. Romantic, erotic, disciplinary, wherever the muse wanders. For a 24-page catalogue send \$3.00 to CF Publications, Box 706TT, E. Setauket, NY 11733.

NUREMBERG WAR CRIMES TRIAL. DOS CD-ROM with 126928-page searchable database. \$395. Aristarchus, PO Box 45610, Seattle, WA 98105.

► FOREIGN LANGUAGES

SPANISH, CULTURE, TOURS, at ESCUELA AZTECA. Summer in beautiful Cuernavaca. \$220 two weeks. Intensive grammar all levels. Weekend tours. Minicourses with Ross Gandy, Ph.D. (Mexico: Reform or Revolution?) Live with Mexican family.

Celebrate the New Year in Cuba!

Spend the holidays in Cuba learning about sustainable development, dancing the best salsa and swimming at the world's finest beaches.

Global Exchange

800 - 497-1994 or 415 - 255-7296

For brochure: call (52-73)-15-24-69. Address: ESCUELA AZTECA, Apdo. Postal 76-005; 04201 Mexico, D.F.

CENTRO MAYA: women/indigenous owned co-op in beautiful Quetzaltenango, Guatemala. 5 hours week-day individual Spanish instruction, complete R&B, \$120/week. Contact: 3314 Sherwood, Wichita Falls, TX 76308. (817) 696-3319. e-mail: centromaya@aol.com.

► HEALTH

WANT BETTER HEALTH? Read the Alternative Medical Approaches Report. Send \$5. Dept. E235, PO Box 2334, Merrifield, VA 22116.

ABORTING OURSELVES SAFELY! Bibliography of information on Menstrual Extraction, herbal & vitamin abortions, etc. \$5 & SASE to: AUTONOMY, Box 591, Chilmark, MA 02535.

CHIAPAS

CHALLENGING HISTORY

INDIGENOUS VIEWPOINTS ON THE POLITICAL SITUATION IN SOUTHERN MEXICO

SPECIAL EDITION OF *ANTHROPOLOGY JOURNAL*. SINGLE ISSUE: \$14.00 PPD. ONE YEAR SUBSCRIPTION: \$18.00 (U.S.)
 CHECK/VISA/MC TO: 300-IT CALDWELL HALL, CORNELL UNIVERSITY, ITHACA, NY 14853

AIDS EPIDEMIC IN TAMPA, FLORIDA! For free report: HPAF, PO Box 10088, Tampa, FL 33679.

► CALENDARS

CAT LOVERS AGAINST THE BOMB— 1996 Wall Calendar, \$7.95 + \$1.25 postage. Order from: Nebraskans for Peace, 129 N. 10th St., Rm. 426-I, Lincoln, NE 68508, (402) 475-4620. Visa/MC accepted. E-mail address: catcal@aol.com

► BUMPER STICKERS

"IT'S THE CORPORATIONS, STUPID" \$2 ea., 3/\$5. Suz Jones, PO Box 841, Montpelier, VT 05601.

► FOR RENT

CHICAGO-SMALL OFFICE SPACE available for business or personal use. \$150/month includes utilities. Use of office equipment negotiable. Call Jim Weinstein at 312-772-0100, ext. 223.

► PERSONALS

EROTIC, INTELLIGENT, imaginative conversation—Discreet, personal and pleasurable. Please inquire (617) 661-3849.

RUSSIA, W. EUROPE, SO. AMERICA, AUSTRALIA, etc.: Worldwide introductions. Sincere, professional men and women. Free info. Scanna Int'l. (since 1980), PO Box 4-ITT, Pittsford, NY 14534. 1-800-677-3170 (24 hr.).

IN THESE TIMES Classified Ads Work Like Your Own Sales Force.

Word Rates:

95¢ per word / 1-2 issues
 85¢ per word / 3-5 issues
 80¢ per word / 6-9 issues
 75¢ per word / 10-19 issues
 65¢ per word / 20 + issues

Display Inch Rates:

\$30 per inch / 1-2 issues
 \$28 per inch / 3-5 issues
 \$26 per inch / 6-9 issues
 \$24 per inch / 10-19 issues
 \$22 per inch / 20 + issues

Classified ads must be prepaid. Send your copy, coupon, and payment to:
IN THESE TIMES, Classified Ads,
 2040 N. Milwaukee Ave., Chicago, IL 60647.

Enclosed is my check for \$_____ for _____ week(s).

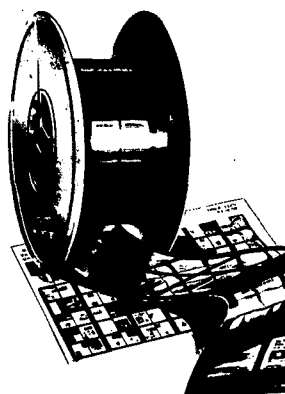
Please indicate desired heading _____

Advertiser _____

Address _____

City _____ State _____ Zip _____

This publication is available in microform.



University Microfilms International reproduces this publication in microform: microfiche and 16mm or 35mm film. For information about this publication or any of the more than 13,000 titles we offer, complete and mail the coupon to: University Microfilms International, 300 N. Zeeb Road, Ann Arbor, MI 48106. Call us toll-free for an immediate response: 800-521-3044. Or call collect in Michigan, Alaska and Hawaii: 313-761-4700.

New Political Science

Radical scholarship on today's political issues.

special price!

\$25 for 4 issues

Gvt Dpt., Suffolk Univ., Boston, MA 02108

Concerned Singles Newsletter

Nationwide
 All ages • Since 1984

FREE SAMPLE: Box 555-IT
 Stockbridge MA 01262 or (800) 370-5040

GOOD VIBRATIONS



Friendly, informative catalogs of sex toys, books & videos, \$4.

1210 Valencia #1T
 San Francisco, CA 94110

Continued from page 40

used the time toward my art, but that wasn't what I was getting paid to do.

Perhaps the nicest part of the temp sector is the way it resembles an extended family, or a least a parent who sends a kid out to do chores. When I had my heart broken in California, far from my Midwestern family and friends, it was my agency contact who lent a dry shoulder. After listening to my problems for about five minutes, he said, "You've got to get it together." Then he got up and left the room. As it gradually dawned on me that he wouldn't be returning with an assignment, I thought this advice was rather cruel. But now I know it was merely a much-needed form of what Bill Cosby would call "tough love."

Now, I'd be dishonest if I didn't confess there was a downside to the work I do. For instance, I once had a job in a corner office of the Transamerica building in San Francisco, where I entered data for a bunch of chain-smoking male stockbrokers. I worked up the courage to complain about the lack of ventilation in our closet-sized "office" to a female co-worker. She compassionately explained that this was the only place the stockbrokers who smoked could work. She then cheerfully resumed her part in the foul-mouthed frat-boy misogyny that passed for workplace banter among the brokers.

The worst experience I've had was at a health care organization in Chicago. My boss was a 26-year-old incompetent with the people skills of a Young Republican. When she wasn't harassing older subordinates with twice her tenure, or disappearing for a week at a time on sick leave, she was having loud, dramatic 45-minute phone calls. I can still hear her reassuring her mother that her new, ex-con husband was a good man in spite of his abusiveness. I can't speak for her mother, but I wasn't buying it.

Predictably, the six months I spent on this job ended badly. I'd been angling for a "permanent" assignment there, in a rare stab at normalcy. But it was given to another temp who'd been there a week. When I asked my supervisor why I hadn't rated an interview, she said she never received my application. After kindly pointing out that the woman she hired had "a damn good résumé," she sent me to personnel, where a manager told me, "We don't owe you a job."

I'd never been closer to punching someone in my life. If my hands weren't so delicate, even feminine, I probably would have. Instead, I got another gig and soon realized that a steady paycheck under the supervision of an ill-tempered Hydra would've been a huge mistake. Being a capitalist nomad has made me nothing if not resilient.

Who knows what I'll be doing tomorrow? It could be back to stacking six-packs or frying birds, but I doubt it. My office opportunities are increasing with every corporate merger. In fact, the only real difference between me and your average working stiff is that I already know my work is temporary. ◀

Ken Rasak is a freelance writer based in Chicago. He is currently unemployed.

Continued from page 32

inevitably be thrown back upon the language of conspiracy. Like cargo cults and anti-Masonic enthusiasts, they have no other way to imagine the movings of the world around them.

Take the book's central argument about Political Correctness. It's never made clear exactly who's been persecuting these people: Sometimes the rightists seem to believe PC is the result of a grand plot by the elite; at other times they refer vaguely to larger moral climates that they are bravely resisting. But none of them is willing to face up to the inevitable result of their magic-Market logic: that both the media's liberalism and the vague glimmerings they identify as tyrannical political correctness are products of Market forces themselves; that the Market of mass culture, like the Market that destroys cities, has little use for the Way of the Past.

But since most of our crowd of New Rightists believe that PC is in fact the result of a great conspiracy, they take from the experience the lesson that public mores can be quickly and easily changed—by the government. So beware when these "conservatives" actually get around to recommending policy. In "The Coming White Underclass," Charles Murray, of *Bell Curve* fame, insists that "the single most important social problem of our time" is illegitimacy and sets out a far-reaching scheme for dramatically altering the manners and morals of the public (consisting largely of building orphanages and punishing single mothers). Here one finds no warnings about the folly of "trying to fight the marketplace," but instead advice that we do exactly that on a grand scale, that we resist what Murray recognizes to be long-term moral trends, that we roll back the ways people have 'chosen' to live since the 1960s, and that we utterly remake society according to more virtuous precepts.

It would be most amusing were the New Rightists somehow forced to defend themselves on any of these points. But, however they may bluster against the TV networks for portraying them in a bad light, they are assured that the benevolent genius of the cultural marketplace will never subject them to such a cruel test. In the world these writers inhabit, there is literally *no left*. The worst they ever have to go up against is noodle Mike Kinsley or pusillanimous Bill Clinton, both of whom share their basic convictions about the benevolence of the Market, but merely ask that we look kindly on those left out. The worst they can imagine are the loopy academics of the Women's Studies Association, the "harridan" who tells *Movieline's* Joe Queenan to put out his cigarette, the cultural Stalinist who would pluck Fred Barnes out of his driver's seat and the rest of the PC legions—the remnant of the tepid '60s, demanding that the rightists clean up their language and start being polite to people. But a left that makes more fundamental charges against the marketplace, a left that organizes independently of government to remake things according to a different notion of democracy—this is a left so foreign to Barnes, Limbaugh, O'Rourke, et al., that it doesn't even merit acknowledgment. Not even when they are making off with our best insults. ◀

Tom Frank is editor of *The Baffler*.

As the recent AT&T layoffs proved, corporate downsizing is here to stay. While I don't find this kind of instant joblessness pleasant, I am happy for one side-effect: the increased use of temporary labor.

You see, I'm an unknown and unsuccessful artist. To me, a regular 9-to-5 job would reduce my art to a hobby, whereas working as a temporary employee reduces whatever job I might have to that status. Granted, I don't have health insurance or a steady income, but then neither does the builder of model rockets.

When I was younger, I happily took any job that would have me. I dropped battered chickens into 375-degree grease vats; I stocked beer coolers until my hands grew numb; and I even corralled shopping carts through snow, ice and slush. While these adventures prematurely aged my body, giving me a rough-hewn, masculine appearance, they didn't pay worth a damn.

So I upgraded myself to the next rung on the job ladder and became an office worker. A typing class I'd taken in high school gave me the job skill I'd need to get my foot in the door. After registering at my first agency in San Francisco in 1989, I was soon immersed in the world of the data-entry clerk.

The first thing I noticed about this brave new world was the comparative civility of my co-workers. At my fried-chicken job, I was once terrorized by a wiry thug who insisted that I also clean his part of the kitchen after each shift or he'd "cut" me.

The terrors of the temp economy are far subtler. The worst bully I've encountered in cubicleland was a diminutive Christian co-worker who was like a Disney supporting character come to life, speaking in a cute language meant for the child within. In her tiny, twisted mouth, the word "inquiry" would come out as "inkwee." She didn't need to resort to threats of slashing cutlery. Her greatest act of terror, for what it's worth, was the time when, explaining a procedure to me, she dug her fingernail into her ear, scooped out a viscous ball of wax and then mashed it into my keyboard while typing.

Another plus in the temporary world is the environment. No greasy kitchens or walk-in coolers to stand in all day long.

Temporarily out of service

By Ken Rasak

tesy clerk, which always made me feel like I should be handing out melon balls to customers as they entered the store.) I never could get used to the fishbowl scrutiny of the anonymous masses of shoppers.

In an office cubicle, at least you get enough of a sense of privacy to pretend you are safe from prying eyes. If you get caught picking your nose by a sudden passerby, or you start to see a camera lens in the ceiling sprinkler, well, that's an acceptable tradeoff for the self-esteem you'd develop by having three to four walls guard your work habits from direct supervision.

And therein lies another asset of temp work: You don't

have to know what you're doing. When I fried chicken for a living, I had to be able to do an "edible" job. If the chicken was partially frozen or overcooked, I would've been replaced by someone more capable of fulfilling the needs of fried-chicken connoisseurs. (Indeed, that job is why I now prefer the company of vegetarians.)

On the other hand, I can't tell you the number of temporary assignments I've had where I wasn't given adequate instruction, and yet, by acting vaguely competent, I was able to do the task at hand. Supervisors will accept a lower grade of ability from a temp because they know the tools by which

they torment their regular employees (reviews, raises, etc.) are useless. How fun can it be to browbeat someone who already doesn't expect to be there the next day?

This refreshing lack of supervision also allows for much greater freedom. I once spent two weeks in a conference room putting a pile of W-9 forms in numerical order. Since the actual task only took about a week, I spent the remainder of my time fiddling with the thermostat, eating chocolate-covered almonds and catching up on my sleep. I would have

Continued on page 39



END THE N

© 1996 BY TERRY LARRY